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INTERCOLLEGIATE DEBATES

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YEAR BOOK OF COLLEGE DEBATING

INTERCOLLEGIATE DEBATES

Edited by

EGBERT RAY NICHOLS

Professor of Speech

University of Redlands, California



VOLUME XX

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Reference

EDITOR'S FOREWORD

This is the twentieth volume of *Intercollegiate Debates* issued during a period of twenty-eight years. Had it not been for the war and the hiatus of six years or so afterward, this would have been the 28th volume. Many changes of style, form, and custom, as well as in the philosophy of debate have occurred in these twenty-eight years, and many of these changes have been recorded in this series of books. Looking back over the period and turning the pages of previous volumes, shows to anyone conversant with debating the steadily changing panorama of intercollegiate discussion. The first volumes of *Intercollegiate Debates* were issued in the days of carefully prepared, interlocking, oratorical constructive speeches. Then came the trend to extempore speaking and the inclusion of preliminary rebuttal in the constructive efforts. Finally, came the debate which was all extemporaneous except the first Affirmative constructive speech. Many other changes also may be seen by turning the pages of the previous volumes. There is the coming of the radio debate, which returns to the more carefully prepared written speech, the electrical transcription debate, which also is read on to the record from a manuscript.

In the Editor's Foreword in previous volumes, much of the changing opinion and attitude toward debate has been discussed and many of the principles upon which debate as an intercollegiate activity rests, commented

upon. There remains little that needs to be said in this the twentieth volume.

The season of 1938-39 was much like its immediate predecessors. Not a large variety of subjects was discussed by college debaters. In fact, the national subject was even broadened in its application to the various colleges and their debate teams by the cooperation of the Committee of the National Association of Teachers of Speech and Pi Kappa Delta in the selection and stating of the annual proposition. This subject was: Government Spending for Recovery or the Theory of Pump Priming. Many colleges debate but one subject during the debate season, and for that reason many teachers have been trying to get two national subjects selected so that the training of the debaters will be broadened. On the other hand, many colleges debate a wide range of subjects, perhaps entirely too many to prepare any subject very thoroughly. Such colleges are very few in number, however. The importance of the international relations of the United States moved several colleges last year to debate additional subjects in that field, and many of the colleges debated the national high school subject which dealt with an Alliance with Great Britain. There were many variations of this subject such as: An Alliance of the Democracies, Collective Security, and An Alliance of the Western Hemisphere. The Policy of Isolation, the Neutrality Law, the Open Door Policy, an Embargo on War Materials to Aggressor Nations, and the Protection of the Lives and Property of Americans Abroad came in for discussion. In addition to the international situation,

some attention was given to the difficulties in the industrial situation in our own country. The rising importance of the Labor Union since the N.L.R.B. as a political as well as an industrial factor in the progress and prosperity of the country brings such subjects to the front as: Labor Unions in Politics and the Incorporation of Unions.

This volume of *Intercollegiate Debates* includes many of the subjects mentioned above. A true reflection of the debate year demands this, and it is to be regretted that the field of subjects for the last debate season was so narrow. As long, however, as a national subject is chosen and is the only subject debated by such a large number of colleges, there will be a narrow range of subjects available for a book such as this, for it must necessarily depend upon the material the debate season furnishes.

Geographically the West and the South dominate in this particular volume, but the East has been well represented in past volumes, and, it is to be hoped, will be again in future volumes. The East has not followed the national subject so closely as the West, the Middle West, and the South, and is likely to debate the subjects that current events raise. The East is not so much given to tournament debating, which, as has been pointed out previously, has a tendency to increase the concentration upon the one national subject.

The editor was disappointed in failing to receive two debates for this volume from the Middle West which were expected. Debates to be published must necessarily be arranged for in advance and their space cal-

culated in a volume such as this. Then, if they do not arrive, the gap they leave must be filled in by resort to other available material. With this explanation made, let it serve as an apology to the reviewers on the part of the Editor for including two debates in which his own debaters appeared. The space was offered to others, who failed at the last moment to take the place allotted them.

The Editor desires to make this annual volume of debates as representative as possible, both in material and in geographical distribution. Such a book should be as good a cross section of debates in the colleges each year as it is possible to collect. The Editor will welcome cooperation in this respect from each and every one interested. Of course, not all offered debates and subjects can be included in any one volume, but any college with a new and significant subject under discussion may be sure of a hearing.

The Editor also expects to present some new features in debating in future volumes, and hopes to make some changes that will broaden the book in scope and influence. The first score of records being passed, the book, upon reaching its majority next season, should at least have a minor celebration of some kind.

With best wishes and thanks to all who have cooperated in the present volume and in all those of the past, the present work is launched in the hope that it will interest and attract many new friends and contributors.

EGBERT RAY NICHOLS,
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INTERCOLLEGIATE DEBATES

GOVERNMENT OWNERSHIP AND
OPERATION OF THE RAILROADS

Speech Honors Program Debate

INTER-SQUAD DEBATE OF THE UNIVERSITY OF ALABAMA

On the evening of May 7 at a Speech Honors Program held in Morgan Hall, University of Alabama, two teams from the intercollegiate debate squad staged a debate on the new high school debate subject for the coming season as part of a celebration at the conclusion of a successful debate season, and introductory to the initiation of the new eligible debaters into the local chapter of the National Debating Honor Society, Tau Kappa Alpha. Three of the debaters, although successful in several tournaments, and leading members of the debate squad, had never before debated on their own campus. This occasion was welcomed as an opportunity to hear them and to take a preview of the next season's high school debate subject. No decision was rendered.

The speeches were collected and submitted to *Intercollegiate Debates* by Professor William Ray, Director of Forensics at the University of Alabama. Since taking up his work at Alabama, Mr. Ray has sent out teams far and wide to tournaments and has had several highly successful teams.

The new National High School Subject used in this debate is stated as follows: Resolved, that the Federal Government should own and operate the railroads.

GOVERNMENT OWNERSHIP AND OPERATION OF THE RAILROADS

First Affirmative, Alf MacFarland
University of Alabama

MR. CHAIRMAN AND FRIENDS: The question for debate here today is, as we perhaps all know: Resolved, that the Federal Government should own and operate the railroads.

As in all things, we should put first things first; we of the Affirmative believe that the present policy of private ownership and operation of the railroads of the country has failed, and has failed so miserably that the time has come, not when something ought to be done, but when something must be done or this country will be facing the loss of one of its most important public utilities.

Three of the most important economic factors in the country have been very liberal and very kind to the railroad industry, and in spite of this, the industry is facing bankruptcy at the present. When I speak of the three most important economic factors, I mean the government of the United States, the general public, and the industrial population of this country.

We see from history that the government of the United States gave more than 214,000,000 acres of land and \$60,000,000 in funds to the great transcontinental lines immediately after the War Between the States.

We know also from history that more than \$200,000,-000 of taxpayers' money was donated to the railroads between the years 1865-1875. We also know that unscrupulous promoters, whose descendants form a substantial part of our moneyed aristocracy today, made themselves rich, in fact, the world's richest men by selling worthless stock, forcing whole systems into bankruptcy, and then buying them back for a mere fraction of their value to immediately repeat the whole sordid procedure.

Our argument at this time is not with the operating management of the railroads. We will immediately concede that the operating management of the railroads is as efficient as any that the world has ever seen. We easily see and very well know that the railroads are operated more efficiently and at less cost to the riding and shipping public than any other transportation system in the world. In America, when a train is supposed to leave its station at 7:15, and arrive at its destination at 9:45, it, unless flood, fire, or Act of God intervenes, will leave at 7:15 and arrive at 9:45. No where else in the world can this be said to be true. We are also aware of the fact that transportation rates for both passengers and freight in this country are cheaper than anywhere else in the world.

Our argument, however, does come with the financial management of the railroads. This chapter of their history has always been covered with a dark and sinister cloud of mismanagement, financial juggling, and general dishonesty except in a few rare and isolated examples. There has been scandal of various shades

connected with the building and operation of every railroad in the country with perhaps the single exception of the Union Pacific after it was taken over by E. H. Harriman.

A business so conceived by avarice and greed, nurtured under the most lavish conditions of prosperity that the world has ever seen, allowed to grow with no plan, method or control, and managed by a group of quasi-civilized robbers, has in reality far exceeded the influence of its environment. We learn from history that nearly all of the early railroad tycoons were men of little education and far less scruples. They were not interested in a sound financial structure, but in a system of business that would give immediate return on investments.

Through the manipulation of a Fisk or a Drew, stockholders have suffered repeatedly. We know that in 1882, the watered stock of the U. S. Steel Corporation, which at that time had an interlocking directorate with every large railroad in the country, exceeded \$400,000,000 in value. Instead of issuing new stock or paying cash dividends, dividends were issued on watered stock.

In 1887, Congress passed the Interstate Commerce Commission Act in an effort to put some kind of curb on the activities of the railroads. Conditions were bettered for a time and then the railroads fell into their old ways again. It might be said of us, that we are dwelling too much in the past, telling of the activities of the Goulds and the Fisks and the Hills and other early manipulators, but we have only to view the financial

activities of the Van Sweringens to bring the picture up to date.

If we learn anything from the past, we may easily see that a continuation of the present policy of railroad management affords little hope for the future. With one-third of the railroads of the country in the hands of the receivers; with new and other important forms of competition, the buses and trucks, and the canals and airplanes, making serious inroads into the business of the railroads, it can be very clearly seen that something must be done. Congress has granted subsidies, given mail contracts amounting to almost a monopoly, and in many other ways helped the railroads, yet the industry still fails to respond to the general boost in business. It is not to be argued that the railroads have not suffered from the recent depression, for any thinking person can see that they have, but so has every other industry and many of them have made substantial comebacks.

We will concede that there have been mistakes made by Congress in some of its attempts at regulatory measures and one of the most serious it appears is the flat refusal to let the railroads lower the salaries of their employees, thus imposing an added load for the industry to carry. This is no ordinary problem and a solution to it will in itself be a difficult one. The plan that we propose to remedy this unusual state of affairs is, therefore, government ownership and operation of all railroads.

We believe this to be sound in theory for the following reasons: a monopoly would result and cutthroat

competition would be avoided. We have seen the effects of such competition and the results are always dangerous. Government ownership would effect a consolidation of lines, and many useless duplications would be eliminated. There could be a standardization of all railroad equipment and a subsequent saving would result on all purchases. Wasteful expenditure through reorganization could and would be eliminated. Industry and the general public would have a voice in the operation of the railroads, and the public welfare would benefit from this. In case of war, the railroads of the country would already be in the hands of the government, thus effecting speed and good administration which is so essential at such a time.

First Negative, Bernard F. Sykes
University of Alabama

LADIES AND GENTLEMEN: In the first place let it be understood that it is not the task of the Negative argument to solve the knotty problem that has puzzled many a railroad executive. We do not pretend to put the railroads on a paying basis neither do we promise any improvement in the conditions of the railroads; but it is our primary duty to show you why we believe that it is illogical and, furthermore, impossible to place the nation's railroads under the ownership and operation of the United States Government. If time permits we should delight in discussing the various methods designed to benefit the operations and increase the profits of the railroad industry.

The thoughtful listener has already asked himself the question—are the railroads in such a condition today that it is necessary for the government to take them over? Now let me answer that question in parts. We agree emphatically that the financial conditions of many of our railroads have reached a point at which something should be done. We deplore the fact that nearly one-third of the railroad mileage in our country operates in the hands of the receiver. Conceding the fact then, that the plight of the railroads is most regrettable, we do not agree with our friends Mr. MacFarland and Mr. Anderson that the solution of the problem is in government ownership and operation.

Disregarding for a moment that governmental ownership and operation involves increased regimentation of private corporations, disregarding for a moment that governmental ownership drives us one step nearer a growing and obnoxious trend toward socialization and a step farther away from old time American private enterprise, we believe that the nature of the problem itself prohibits its solution by governmental management. Fundamentally, the problem of the railroads is a financial one. It is the universal problem of making both ends meet. The railroads have the same problem that you and I have when we open our pay envelopes and find that our \$37, \$45, \$150 just will not stretch as far as we had hoped. We find that the money we have received for our services will not pay that large grocery bill, much less the interest on the mortgage that is due this month. Specifically then, why are the railroads in such a condition? And is government own-

ership the best solution to the problem of the railroads?

The gentlemen have already agreed that the present operating management of the railroads is efficient. We wish to emphasize this point. The management of the railroads as far as operation is concerned is efficient. Since the period of the world war, the efficiency and economy of the operation has increased. From 1921 to 1937 the output of transportation by the average freight train has increased from seven thousand to twelve thousand net ton-miles per hour. This fact shows that the railroads have increased, almost doubled their efficiency of operation. The passenger service has also been improved by features such as air conditioning and new types of trains. The railroads today are providing a service that is fifty per cent faster in freight hauls than in 1920. Furthermore, the shippers, those who use the freight trains, are getting this efficient service at a reasonable rate. The railroad company receives today about one cent for hauling one ton of freight for one mile. If we contrast this profit with the profit made by any other form of transport in this country, or in other countries that offer a general, all-season transportation service, it is easily found that the American rates are not too high.

The gentlemen who propose government ownership tell us that the great trouble with the railroads today is bad financial management. But by comparative statistics we may learn that the problem of the railroads is not due to overcapitalization. There is ample assurance that this is true. Under an Act of Congress passed in 1913, our government discovered through the

investigations of the Interstate Commerce Commission that the total bonds and railroad stocks in the hands of the public is substantially less than the investment in railroad properties, plus the cost for the reproduction of railroad properties. By comparing the ratio of security issues to the value of the properties of the railroads we find that it has decreased since 1910. In 1910, a successful year for the railroads, the ratio of outstanding securities to the value of the railroads was \$987 to \$1000. In 1937 the same ratio was only \$715 to \$1000. From the findings by the same commission we also learn that the debt of the railroads has decreased. In 1910 the railroad debt was \$606 for each \$1000 investment while in 1937 the debt was only \$439 per \$1000.

The best of the pre-war years was 1916 as far as the railroads were concerned. In that year the fixed charges took 16.8 cents out of each dollar of revenue and in 1937 only 15.4 cents was used for this item. Thus we see that the ratio of fixed charges as compared with revenue has decreased.

Now what do all of these statistics show? They show that the railroads have become more efficient, in management and in service, that they are not over-capitalized, that the railroad securities do not exceed the actual valuation of the railroad properties, that the fixed charges for the railroads have slightly decreased, and that the debt per 1000 dollars has decreased. Now all of these things show progress. The alarming fact is that the return on railroad investments has de-

creased from 5 per cent to $2\frac{1}{4}$ per cent since 1910. There are several things that account for this.

In the first place, the wage for the railroad worker has increased from 28 cents per hour in 1916 to more than 70 cents per hour in 1937. Taxes have increased from $4\frac{1}{3}$ cents out of the revenue dollar in 1916 to 8 cents in 1937. These two items coupled with the public transportation policy are the causes for the great decline of railroad profits.

The public transportation problem as I have said is one reason for the decline of profits for the railroad. The user of the railroad must pay not only for the cost of moving the train but he must pay for the maintenance of the track on which the train moves, and the equipment. Let it be understood that the user of the railroad, the shipper, pays in his freight bill taxes that are used to help maintain public highways, commercial waterways, and airports. Not one cent of this money goes to build a railway. Nevertheless, a large number of people fail to understand that the railroad through the payment of taxes on its self-maintained tracks and other equipment actually helps to keep up the highways, airways, and waterways of its greatest competition.

Now that we have identified the problem of the railroads let us apply government ownership and operation and see if any of the problems would be solved. It is not logical to believe that if the government took the railroads over that it would cut the wage level. If anything, the government would increase the wage level. All of the history of recent government policy shows

that the administration favors an increase rather than a decrease in wages, not only in the railroad industry but in all industries. Therefore, that problem, and it is a great one, is unsolved. If the efficiency of the railroads is to be maintained, it is equally logical to assume that the operation costs would not be reduced. The government—if it would do anything—would try to raise the efficiency, thereby increasing the costs.

If the government owned and operated the railroads, would we not have the government competing with private industry? The government would be competing with the motor transport lines and the private shipping barges and the air express lines. We all know that government competition with private industry brings with it added problems. In answer to this the gentlemen might propose the government control of all transportation facilities, but let me remind you that only one-third of the mileage of the railroads is operating in the hands of the receiver. The other two-thirds of the mileage represents a liquid and profitable business.

It is true that the railroads need help. Most businesses do, and the railroads are no exception, but let us not fool ourselves into believing that governmental ownership and operation will do anything but abolish the taxes. We have already shown that taxes are not the one and only problem of the railroads. We must also remember that if the government, through its ownership, fails to collect taxes from the railroads this revenue must come from somewhere else. This necessitates a new tax levy. Money is merely shifted from

the one pocket to the other. No matter who owns the railroads, it will cost the same amount to operate them if the present efficiency and wage level remain the same.

It is an indisputable fact that if the government assumed the debt of the railroads this sum would add some twenty billions of dollars to the already gigantic national debt. In addition to this lump sum would be the annual operating deficit of the railroads. If the government operated the railroads with the same ratio of efficiency that it now operates the postal service, and we have no reason to believe that it will improve the ratio, the government would expend a billion and a half each year to keep the railroads in operation.

Thus we see the inevitable conclusion: if the government owned and operated the railroads, this would mean not only the assuming of a debt that would increase the national debt by one-half, but it would also establish a fixed annual deficit that you and I know this government cannot safely afford. In addition to these obstacles the main problem would not be solved. The railroads would still be paying the increased wage and probably an increased operating cost. True the tax would be "saved" but we have already explained that this money must come from some other levy.

It is a necessary conclusion, then, that it is not only illogical for the government to own and operate the railroads—the problems of the railroads cannot be solved merely by changing ownership, but it is also impossible for our government to assume the financial obligations of the railroads. And lastly, it is evident

that should the government own the railroads added problems would appear.

Mr. Wachter will show you presently that we approve of some reform in railroad control, or supervision by the government, if these reforms can be proved beneficial, and that we can obtain these benefits without the uncertain results of government ownership and operation.

**Second Affirmative, Robert Anderson
University of Alabama**

MR. CHAIRMAN, LADIES AND GENTLEMEN: Mr. Sykes has adequately and logically presented to you the case for the Negative. He agreed with Mr. MacFarland that the operating management of the railroads had been comparatively successful. The fundamental problem he asserted is a financial one and he continued: "It is the universal problem of making both ends meet." Through the use of statistics he tried to show that the debt of the railroads has slightly decreased, the fixed charges have been reduced, and that the railroad securities do not exceed the actual valuation of the railroad properties. All of this indicates good management. But, can you and I accept these statistics at their face value? These statements seem reassuring and lead us to believe that the railroads are not in such a terrible condition after all. If this is the case, we naturally wonder why the Federal Government ever interfered at all? There must have been some reason, and there was as we shall see.

Our United States is a great industrial and commercial nation. At the base of it is the principle of private initiative. Private industries have competed, one against the other, and in the process have built up a highly complex economic structure. While some industries have been operated fairly and with the highest principles in mind, others have been unfair in their tactics and have been guilty of fraud and corruption in an effort to make money for purely selfish reasons. Gradually the Federal Government had to pass legislation to regulate competition in an effort to equalize opportunities and to protect the interests of the shippers and the traveling public. So, for these reasons, the Federal Government took over the regulation of the railroads. But, we of the Affirmative do not desire government regulation. The present system by which the railroads are operating is a failure. Such a system is not one of federal operation, nor is it one of strict private control. It is actually a policy of government regulation, which is nothing more than a compromise. What the railroads actually have is a combination of public and private control with the disadvantages of both and the advantages of neither. Such regulation has failed. The government has tried to regulate the railways through the Interstate Commerce Commission. Through this agency it has raised the employees' wages, reduced freight and passenger rates, and effected reorganizations—and the government has expected the railroads to prosper. Yet the railroads still have to compete with the newer forms of transportation that are deriving their benefits from the

Federal Government. The railroads have to pay taxes not only on their property but also on the land over which their rails run—land that is taxed heavily because of the increased land values. What other transportation service is required to do that? We of the Affirmative contend that this discrimination is unjust and unfair to one of the greatest public utilities of the country. Government ownership is needed.

It is now my task to point out several things. First, to show the advantages that are derived from government ownership. Secondly, to make us aware of the fact that federal ownership of the railways is sound in practice. Lastly, to present a plan which we of the Affirmative believe offers a solution to the present dilemma of the railroads.

When we state that government ownership of the railroads has definite advantages, one naturally inquires as to what they are. At the present time there are many railroad branches in the United States. None of these come under one control, yet many are connected and serve all parts of the country. Such divisions are the New York Central, Pennsylvania, Erie, Baltimore and Ohio, Boston and Maine, and many others. Each of these lines possesses its own equipment; (that is, what isn't already in receivership) such as rails, cars, terminals, and supplies. Such material is duplicated in each line. These roads compete one against the other for passenger and freight service. With government ownership of these roads duplication of equipment would be avoided and competition eliminated. Terminals could be combined, mass pur-

chases could be made and a saving would result. Just how great these savings would be is cause for disagreement. Oswald G. Villard, journalist, says: "There are many competent critics who believe that saving would be enough to enable the government, in ordinary times, not only to meet expenses and interest but to retire gradually the bond issues of the railroads at full value." One needs to recall only the sums paid to Wall Street by the railroads in financing and refinancing loans, and often for corrupt and crooked re-organizations, to realize what a saving it would be if the government did the financing.

Another important advantage of government ownership is the amount of money that would be saved by the government in land values. No one will dispute the fact that since the railroads have taken possession of the land granted them by the Federal Government, the lands have greatly increased in value. Early in the history of the United States the government gave land outright to the railroads to encourage their growth. Even at that early date the total value of the land amounted to a great deal. Today, through the growth of our country and the steady increase of trade and commerce, land values have more than doubled. The railroads have aided this increase; large cities have sprung up around terminal points and along the lines. All this came about without any additional expenditures on the part of the railroads to improve their land. If the government were to own this property, any future increase in land value would belong to the government and this would be an economic saving.

A second fundamental plank in the Affirmative platform—to use the words of the politician—is that governmental ownership is sound in practice. Let us see how such ownership has worked out where it has been practiced. The Panama Railroad and Steamship Company has been managed by the United States. Has anyone heard any objection connected with its management? No, because there has been none. And neither has the government failed in its management of the Alaskan Railway. Our opponents will say, yes, but what of the government's attempt to run the railroads in 1918 during the period of the Great War? Well, as we of the Affirmative recall, the government took over the control of the railroads because they were breaking down under private management and were unable to handle the rush on needed supplies and the movement of troops. The government was not attempting to earn money nor economize in management expenses. Walker D. Hines, the second wartime federal director of the railroads, wrote a book showing that the government did do a good wartime job with the railroads. It should be read by all before they judge what did happen during the war years. Furthermore, federal operation of the railroads during hectic war times was so successful that it indicates government operation would be even more successful in times of peace. A country which in peace time can run such a gigantic undertaking as the Panama Canal and make such a magnificent record with its national parks and forests, and coast guard certainly can make a success of the railroads.

When one hears of government mismanagement and

corruption in the operation of certain projects, he has only to look at the shocking list of cases of mismanagement, inefficiency, corruption, and betrayal of public interest that have been furnished again and again by our railroads as a whole. From "Main Street—not Wall Street," published by the Brotherhood of Railroad Trainmen, comes this statement: "There is hardly a railroad in the country whose record does not reek with fraud, corruption, and thievery by the *Insiders* who use their opportunities to enrich themselves at the expense of the public as well as many of their many stockholders. To give one example we have only to look at the management of the New Haven Railroad Company. It has been a long story of waste, graft, and failure adequately to develop a railroad which had a natural monopoly within the richest manufacturing districts on the Eastern seaboard." Such has been the history of private management as compared with government ownership of the railroads.

Our last point is to present a plan which we of the Affirmative feel that the government might follow. We have given you the reasons why the Federal Government should own and operate the railroads, and now we feel that in order to be constructive in this debate we should offer some way by which the railroads might be relieved of their plight. Surely, the present system has not been successful, so in the light of these facts we offer the following solution. The first step the government should take to control the railroads is to form a corporation which may be known as the United States Railroad Company. A Board of Directors will be ap-

pointed by the President and confirmed by the Senate. Such a board will represent four groups: the government, the railroad employees, the shippers, and the traveling public. Thus, all interests in the railroads will be represented. Next, the government will purchase 51 per cent of the stock of the company and allow the remainder to be bought by the public. The government, controlling a majority interest, appoints a majority of the directors and makes no other change whatsoever. This type of organization would give to the public, not a bureaucracy but an organization in which the public is represented yet the government controls and runs it for the benefit of the general public. Such a plan worked well in a number of similar cases in the German Republic. With the United States it has also worked well; the government operates the Panama Railroad and Steamship Company and the Alaskan Railway under such a scheme. Immediately, the cry arises that there will be government corruption and politics in such a plan. We ask, has there been any scandal connected with the operation of the two roads just mentioned? No. Their history has been one of successful management.

Thus far, we have presented the reasons why we believe the present policy of private ownership and management has failed. We believe that it holds no hope for the present or the future. We have listed the advantages to be derived from government ownership. Such ownership is sound in practice. Furthermore, we have supported a plan which may not be perfect in

every detail but which is sound in principle. It is an effort to accomplish something constructive.

In concluding, let us remember that we are living in a tremendously complex civilization, in which we are becoming more and more dependent upon cooperation to satisfy various wants. Governmental participation in numerous enterprises is more and more recognized as the solution in aiding the American public and in furthering its general welfare. Therefore, we of the Affirmative believe that government ownership and operation of the railroads is essential to the welfare of the country and the railroads.

Second Negative, Clarence Wachter
University of Alabama

MR. CHAIRMAN, LADIES AND GENTLEMEN, AND FRIENDS: The gentlemen of the opposition have spent considerable time in enumerating the *deplorable conditions* facing the railroads of this country. And they are deplorable! But ever since we have had railroads we have had a railroad problem. Fifty years ago the trouble was that the railroads were too rich. Today, as our friends say, poverty is the problem. We of the Negative are cognizant of the fact that something must be done, and we concede the issue set forth by our opponents, that there is a need for a change.

That change, however, is not government ownership and operation, but a complete reorganization in the hands of present private ownership. I have no doubt but that a lot of bondholders would be delighted to see

the government take over the railroads today if they could get 100% on the dollar for their investment. Our friends of the Affirmative would have us believe that the government is merely sitting back awaiting the opportunity to take over the roads, but, my friends, the government has no desire to do this. The President and other high officials in administrative circles have expressed their opposition to government ownership of the railroads within the last year. This is the question, however—will the government be forced to assume their ownership and maintenance? Already the roads are several billions of dollars in debt to the Reconstruction Finance Corporation, and if the condition continues, government ownership will be compulsory.

Let us glance for a moment to see just what effect this policy would have. If the government ran the roads, every Chamber of Commerce in every community in the United States would be asking for a new railroad station or more train service in one breath and a balanced budget with the next. And in the words of Senator Burton K. Wheeler of Montana: "New railroad stations would be pork-barrel items like new post offices or creek bridges have been and are now. Conductors would be put in charge of trains according to their ability to get out the vote. The 940,000 railroad employees would not be human if they did not seek to use their political strength to get advantages from the owner government." Even with a plan of Civil Service, which our friends will probably advocate, can we keep such a large group from exerting their influence upon the government?

Thus, not only would government ownership open up a large field for political corruption and abuse, but government ownership is inexpedient, because of the immense amount of capital that the government would be required to invest. Such an immediate outlay of cash would jeopardize the credit structure of the nation. At the present time the Federal Government is some \$40,000,000,000 in debt, and coupled with the proposed purchase of the roads the total indebtedness would increase to \$60,000,000,000. This would have but one obvious end—financial chaos for the economic structure of the nation. And it is for this reason, and this reason alone, that the President and the Administration are unwilling to assume railway ownership and operation. Furthermore, this would mean another major step toward centralization of power in the hands of the government, which my partner, Mr. Sykes, has pointed out in his speech. We have seen government enter the building business with its W.P.A. and P.W.A. housing and rehabilitation program; we have seen it enter the public utility field with its extensive operations of the Tennessee Valley Authority. Already we see government through the Inland Water Corporation openly competing with the railroads and other transportation units for freight orders. It hardly seems possible that if Uncle Sam takes over the railroads and begins to operate them at a deficit (which is almost inevitable) he will then permit the buses and trucks and pipe lines under private ownership to compete with and take business away from him. Thus we see that the railroads are but the first step, and it would be only a short time before all

other competing transportation agencies would fall into government ownership.

A little while ago I mentioned that the railroad situation is a deplorable one, if you recall; that government ownership is not the solution, but that an economic reorganization in the present private ownership is the remedy. The mechanics and plausibility of this reorganization I will explain to you in just a moment.

The railroads may be likened to a patient suffering from a long list of complications. The chief trouble is competition from unregulated transportation facilities, most of which enjoy some sort of subsidy. Gradually at first, and then rapidly, the railroads have seen their freight and passenger traffic go to coastwise shipping, river transportation, inland waterways, buses, trucks, private automobiles, pipe lines, and airplanes. This has resulted in an unequal and economically wasteful competition for traffic among the various modes of transportation. It is unequal because the government subsidies of various sorts given to most of the other modes of transportation are not enjoyed by the railroads. This governmental favoritism has resulted in the creation of transportation facilities beyond the ability of the traffic to support all.

Therefore, the first step toward the solution of all the railroad problems is the adoption of a national transportation policy—equal rights to all, special privileges for none—in matters of regulation, taxation, and subsidy. We must stop subsidizing railroad competition at the railroads' expense, and stop taxing the railroads to build highways. Mr. Sykes has elaborated this diffi-

culty in his speech, but to make it a little more clear, let me say that fourteen cents out of every dollar of railroad taxes today, state and national taxes, goes to building highways used by railway competitors.

Now let us turn to our plan of economic reconstruction. First of all, the monopolies serving the railroads must be broken. There is the monopoly of the Pullman Company. Railroads have to sign on the dotted line for parlor cars and sleeping cars, and pay the price the Pullman Company demands. Pullman's directorate is interlocked with the boards of the chief railroad bankers. Likewise the purchase of steel rails and other steel products by railroads is from monopolies interlocked with the controlling financial interests of the roads. It seems that Mr. MacFarland and I agree that the success of the roads' continuance depends upon breaking these interlocking directorates; but the ownership does not require a complete change of hands in order to have this done. Allow legislation to be passed giving the I.C.C. power to investigate and audit the books of the railroads any time it deems necessary. By such a plan a current check-up could be kept, and directorate consolidation prevented.

The railroads should standardize the articles they purchase in order to obtain them cheaper, and they should perform their own fiscal services instead of hiring banks and trust companies to do the job for them. Also, all forms of *indirect* rebates should be abolished. Railroads have to buy supplies at exorbitant prices from their bigger customers; and they must buy terminal properties from big shippers at top prices. The

practice of permitting property to deteriorate by paying out in dividends money that should be spent in keeping up trackage and rolling stock, is costly and also should be abolished. Next, railroad holding companies must be abolished. The holding companies bleed the carriers. These joint stock purchases actually rig the market by forcing up the prices of the securities. The financiers then unload for a substantial profit, while the railways' holdings promptly depreciate when the selling begins. Get rid of surplus tax to the end that railroads can set up a sinking fund with which to pay bonded indebtedness and keep total capitalization down to earning value in low years. Eliminate all these unsound wasteful operations and the railroads could save more than \$350,000,000 a year, which is more than they need to operate profitably.

So now in summary, ladies and gentlemen, my partner, Mr. Sykes, and I have pointed out to you that it would be financially impossible for the government to take over the roads without jeopardizing the credit structure of the nation. We have pointed out that the prospect of governmental ownership with all its politics and mismanagement would be far more dubious than the present private ownership. In conclusion, let me say that we of the Negative oppose government ownership because it will prostitute an essential service to politics. We oppose subsidies, because the taxpayers will not be subsidizing transportation but the waste, mismanagement, and speculation that have brought railroads to their present distress. Therefore, we main-

tain that the railroads should not be governmentally owned and operated.

First Negative Rebuttal, Bernard Sykes
University of Alabama

LADIES AND GENTLEMEN: In reviewing Mr. Anderson's speech we note several fallacies and questionable statements. The program here suggested is grounded in the conviction that government ownership would cure all the problems of the railroads. Mr. Anderson has asserted that government *regulation* has been a failure. Mr. Anderson further asserts that government *ownership* would be a success. Mind you, my friends, that the same government that has, according to Mr. Anderson, failed to regulate the railroads—the same government would operate the railroads with an amazing efficiency. A government that has had an almost free hand in regulating rates, regulating wages, and regulating a thousand and one other items relating to the railroads has failed, but just give the government fifty-one per cent of the railroad stock and the same government would spring into action. It is, beyond all contradiction, a more happy situation than can ever be promised by Mr. Wachter and myself. I recommend Mr. Anderson's plan. Even Mr. Wachter and I would be tempted to buy some railroad stock after hearing the plan of the Affirmative, but before we advise you of the audience to invest in this new corporation, ordinary prudence would suggest that we inquire into the arguments of these gentlemen.

The gentlemen have told us that government ownership would result in the elimination of competition. But is this a benefit? Competition between the railroads today helps keep the rates down. It is competition between the lines that allows the shipper to use the railroads at the lowest possible rate. If competition were removed by government ownership, a rise in rates would necessarily follow. If rates were not raised, the government would be the loser. We have already agreed that the operation of the railroads today is at a maximum efficiency. Competition between the roads demands this. But let us take another viewpoint. Assuming that there is too much competition between lines, could not this obstacle be removed without government ownership? Could not the government regulate as it is now doing the unnecessary competition between the lines? Assuming that competition is an evil, we do not say that it cannot be corrected short of government ownership. We join with the opposition in these reform measures. We approve of the consolidation of lines, in the elimination of the duplication of equipment. But my friends, a board is already in existence that regulates these problems. If the board, the Interstate Commerce Commission, makes mistakes, the logical solution is to make changes in the board—not to sweep the entire railroad industry into the hands of a new owner.

Mr. Anderson has made the astounding statement that the government, owning the railroads, would gain by the railroad lands' becoming more valuable. This is quite true, but would not the railroads benefit if they

retain the lands. No matter who the owner may be—railroad corporation, government, you, or I—the same benefit would occur. This is not an argument for government ownership.

To put it tersely, this is the decision we must make—Cannot the problems of the railroads be solved without government ownership? I have enumerated the problems of the roads and attempted to show you that they could be corrected without government ownership and its many disadvantages. We must remember that government regulation already exists and can be made to be more beneficial to the railroads. We of the Negative believe that the most logical solution to the railroad problem is in reformed government regulation. If this plan were adopted, the evils could be corrected where they occur. The problems could be solved gradually without any sweeping economic changes, without additional expenditures, and above all, without costly and untried government ownership.

**First Affirmative Rebuttal, Robert Anderson
University of Alabama**

MR. CHAIRMAN, LADIES AND GENTLEMEN: In order to clarify the stand of the Affirmative and Negative thus far in the debate, it is necessary to refer to some of the statements made by Mr. Wachter of the Negative. He questioned the ability of the Federal Government to own and operate the railroads. According to his idea, once the roads came under the guidance of the government the powerful hand of vice, corruption,

fraud, and mismanagement would dominate the scene. Under what circumstances can Mr. Wachter say that? What proof has he to show that such would be true? We of the Affirmative have already pointed out in our constructive speeches that the government has successfully managed the Panama Railroad and Steamship Company as well as the Alaskan Railway. No one can raise opposition to these projects operated by the United States Government. We ask the audience if they have heard anything scandalous connected with these two railroads.

Mr. Sykes and Mr. Wachter disregard the fact that private ownership of the railroads is not what it should be. One only has to review the history of many of the roads in this country to bring to light dishonest efforts on the part of railway magnates to bleed the roads of their financial resources. Why should the Negative feel that federal ownership is any more susceptible to dishonest practices than private ownership? Their reasoning on this point is fallacious. Remember, ladies and gentlemen, that whenever the government embarks upon something new there is always the cry arising that the project will not work, it will be too expensive, and that it will be filled with graft and fraud. From past experiences with the railroads we know that these fears are groundless.

The Negative asks why we desire government ownership of the roads when government regulation would be the better policy? Let me attempt to explain. First, however, I would ask the Affirmative why the government stepped in to regulate the railways if the operating

and financial management was successful? It seems inconsistent, doesn't it? The government doesn't just step in and regulate an organization if it has been fair in its practices and enjoys financial success. We have already brought out the reasons why the government stepped in, but under private ownership we see disadvantages in governmental regulation; disadvantages that cannot be corrected by more regulation. At best government regulation is a compromise. It combines, as I mentioned before, the disadvantages of private and public ownership with the advantages of neither. Let me show you the inconsistency. The Interstate Commerce Commission has raised the employee's wage, reduced the freight and passenger rates—and still has expected the railroads to make money. Now, we ask you how can they? The government has failed miserably in its regulation policy but in the past it has proved that it can do an excellent job of ownership and operation when it attempts such. That is why we advocate federal ownership and control. This answers Mr. Sykes contention in which he stated that he failed to see how a government that had failed in its policy of regulation could own and operate the railroads successfully.

The gentlemen of the opposition have told us that it would cost too much for the government to own and operate the railroads. That argument is somewhat old-fashioned in view of our present trend in government. In instigating the W.P.A., H.O.L.C., etc., the government has not been so terribly concerned with costs and economy. After all, the government has spent the tax-

payers' money rather liberally, and it seems to us that now is no time to draw the line. There can be no real objection to our rapidly mounting national debt because our grandchildren will have to pay it. Since we don't have to pay it, why worry? Such worry seems rather pointless, particularly when we are considering such a basic industry as the railroads which mean so much to our national life and our national welfare. This is certainly not the time or the place for the false economy suggested by the opposition. Therefore, we say, let the government own and operate the railroads regardless of the cost and the chances are that the cost will not be as tremendous as the opposition would have you believe.

**Second Negative Rebuttal, Clarence Wachter
University of Alabama**

LADIES AND GENTLEMEN: My opponent, Mr. MacFarland, has said that through government ownership and operation of the railroads cutthroat competition with all its evil effects would be eliminated. Let us consider this point a moment. We will, first of all, agree that private industry is concerned primarily with profits while government is concerned mostly with service to the public. The government took over the Post Office, which it operates at a deficit, yet gives the needed service to the public, the same needed service which our friend, Mr. MacFarland, says would be distributed to the public by government ownership of the roads. The railroads now give splendid service but are still operating in the red, so our logic follows that it

would be impossible to take them over without operating them at a deficit. Is it then possible that the government will permit privately-owned buses, which now carry 41% of the passenger traffic, trucks, pipelines, and ships, to compete with it? This hardly seems plausible. We now contend that the only way government will be able to eliminate cutthroat competition is not only to own and operate the railroads, but all other forms of transportation as well. It cannot be done by government ownership and operation of the railroads alone.

Let us glance a moment to our neighboring nation of Canada, and at the governmentally owned and operated Canadian National Railways. Here we find that 51% of all the tax revenues of the Dominion of Canada last year went to make up the deficit of the Canadian National Railways which is government owned and operated. In other words, the Canadian National not only was not helping to pay the cost of the Canadian Government but was an actual drag upon all the taxpayers. In the face of such evidence, and I might add, that I secured this material from the Congressional Record, Vol. 83; Part 9, can the Affirmative still maintain that it would be possible for the government to own and operate the railroads without a deficit or without going through the same ownership procedure for all the other means of transportation?

Mr. MacFarland has further stated that government ownership would involve a standardization of equipment. If you will recall, I mentioned in my plan of reorganization that there would be a standardization of

articles purchased; but this aim can still be accomplished with the retention of the present private ownership. His next main contention is that there will be a voice of the people. And to elaborate this big democratic movement, Mr. Anderson in his so generous plan, offers to give the public 49 per cent of the stock while the remainder should be held by the controlling faction, the government. Is there a lack of the people's voice today? According to Representative Champ Clark of Missouri, the savings banks and insurance companies today own some three and one-half billion dollars of railroad bonds while about seven billion more are owned by the general public. With that sum invested, does it seem possible that there is a lack of the voice of the public today?

Our friends of the Affirmative, Mr. Anderson and Mr. MacFarland, have been reluctant to inform us how they plan to have the government actually assume ownership. Do they propose an abrupt purchase of the roads with an outlay of cash amounting to \$25,946,-200,000,* the total property valuation? Would they have the roads drift into governmental hands gradually? We would like to have this point cleared.

Mr. Sykes and I have shown you just what a hazardous economic position the financial structure of the government would assume, should the government take over the railroads. We have also pointed out to you that should this plan be adopted, as advocated by the Affirmative, it would shift a heavier tax burden upon the public because the government would not only be

* *Year Book of Railroad Information*, 1934 Edition; p. 16.

forced to operate the roads at a deficit but it would be deprived of the enormous amount of tax revenue that it now receives from the roads under their present private ownership.

We have conceded the issue of the Affirmative that there is need for a change, but we strongly contend that the change should not be through government ownership. We have pointed out to you that by a plan of reorganization under private ownership, the roads could be put on a sound financial basis by the abolishing of rebates, by abolishing the monopolies which have a firm grip on the roads, and by banishing governmental subsidies to other forms of transportation competing with the railroads. We also have shown how the holding companies bleed the carriers through interlocking directorates.

Therefore, ladies and gentlemen, we contend an industry which has done so much for the development of this country and whose usefulness never will be obsolete, should not be turned over to the government. We maintain and have shown to you that by a plan of present private reorganization these evils that now beset the railroads can all be abolished.

**Second Affirmative Rebuttal, Alf MacFarland
University of Alabama**

MR. CHAIRMAN: The gentlemen of the Negative are quick to criticize our case and plan, and yet they offer no remedy themselves. They have said that the private operation of the railroads is an American method

and should not be changed. Here I wish to take issue with the gentlemen and say that there is no American, Chinese or any other way to run a business except the right and honest way, and this has not been the way that the railroads have been run in this country, and, therefore, it cannot be called the American way.

The gentlemen have still failed to refute our point—that the financial management of the railroads is bad. It is supposed that by this obvious silence, therefore, they concede us this point.

The gentlemen have deplored government control as leading to concentration and a form of socialism. We maintain that when conditions are as they are now, concentration of authority, mild socialism, or anything else that will relieve a desperate state of affairs, is justified. There have been two methods of railroad operation tried and both have failed. It then seems logical that government control is the only sound and practical plan of operation left to be tried.

In education, politics, economics, and almost all other forms of human activity there is a growing trend toward governmental interference. Some there are who would condemn this as being un-American and undemocratic. The members of the opposition seem to fall into this group. Anything which leads to more governmental activity the opposition would condemn on those grounds alone. We of the Affirmative, rather than object to the trend of the times, are inclined to feel that greater and greater control and operation of public utilities, includ-

ing the railroads, leads to greater efficiency and greater economy.

The gentlemen of the opposition in order to further their claims have asserted that politics will enter into the operation of the railroads. This red herring has been dragged across the trail in two out of every three debates in the last decade. It has become a stock argument for all Republicans. What greater condemnation can I offer to the opposition arguments than to say they are ideas advanced by Republicans. As a matter of fact, I am beginning to wonder if perhaps the gentlemen of the opposition are not the only two Republican children that we forgot to shoot in Dixie.

If it can be established that governmental interference in industry will be advantageous to industry, then we of the Affirmative say, let there be more government. We believe that we have shown that governmental action is the only answer for the railroads. It will lead to greater efficiency, greater economy, and greater progress.

Now in summarizing, let me state our case as I see it. We claim that the present policy of private ownership and operation has failed. We claim that the financial management is not organized properly. We claim that government ownership is sound in theory. We claim that there are advantages to be derived from government ownership. We claim that government ownership is sound in practice; that it is desirable and that no better plan is now existing.

The opposition, on the other hand, have objected to governmental interference on the grounds that it will

be too expensive and that politics will enter into the railroads. These two main arguments of the opposition have been met by our team and answered in detail in our former speeches.

Last, but certainly not least, we have presented a plan which we believe will work since it has worked in other places and in other instances. Therefore, in answer to our Republican opponents, we maintain that the government should own and operate the railroads.

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LABOR UNIONS IN POLITICS

A Radio Debate

CHICAGO-KENT COLLEGE OF LAW AFFIRMATIVE *vs.*
UNIVERSITY OF WISCONSIN NEGATIVE

Radio debates are brief because of the requirements of the radio schedule which divides broadcasts into fifteen and thirty minute periods. Usually there is time for but four speeches in a half hour period. Radio debating requires that a lot of argument be crammed into a brief time, and it also requires that argument to be popular enough to hold the interest of the casual listener. Consequently, this type of debating requires good speaking and the ability to put much into the voice. Radio work is popular with college debaters as it requires skill that each debater is anxious to cultivate.

The following debate was presented over Station WLS Chicago, Illinois, owned by the Prairie Farmer, and was one of six debates in which Chicago-Kent School of Law participated during the season of 1939 with teams from various colleges and universities near Chicago. The opponent of the Law School in this debate was a team from the Hesperia Forensic Society of the University of Wisconsin.

The subject discussed is an interesting one: Resolved, that labor unions should not participate in politics. In a year given over to discussions of government spending, foreign affairs, and the relation of the United States to these various problems of foreign relations, a discussion of a labor problem proved to be a welcome relief.

The speeches assembled and presented here were contributed to *Intercollegiate Debates* by Mr. Edmund Webster Burke, Director of Debate at the Chicago-Kent College of Law.

LABOR UNIONS IN POLITICS

Affirmative, Ben Rifken
Chicago-Kent College of Law

MADAME CHAIRMAN AND FRIENDS OF THE RADIO AUDIENCE: On behalf of the Chicago-Kent College of Law, we wish to extend our appreciation for this opportunity of debating here this morning. We welcome this occasion to debate with the Hesperia Forensic Society of the University of Wisconsin upon one of the controversial issues of the day.

The controversy this morning is upon the question of whether or not labor unions should participate in politics. We of the Affirmative contend that labor unions should not participate in politics.

First, let it be completely understood that we are definitely in favor of labor unions; however, we believe that political activity by labor unions is greatly hampering their progress in improving the conditions of the American laborer.

Usually the Affirmative will define the terms of a debate. What do we mean by "labor unions," "politics," or "political activity?" As to defining the term "labor union," that is difficult. In fact, the National Labor Relations Board can't quite make up its own mind. Practically speaking, we all know what is meant by the term. By politics or political activity, we include direct

partisan political participation in national, state, and local governmental elections.

At this time the Affirmative wishes to advance these three contentions as the basis for our conclusion.

First: Union participation in politics has created a problem of deep concern to every American and especially to members of the labor unions.

Second: Because of this problem the Affirmative contends that a line should be drawn between union activities for the improvement of labor relations, and union activities for merely a political purpose.

The Affirmative finally contends that such evils as proposed anti-union laws and anti-union public opinion would be greatly relieved if labor unions would stay out of politics.

As to our first contention—that a problem exists which is of special interest to union members—I would like to cite one outstanding example which indicates the direct result of union political activity. Last November, in Detroit, Michigan, the United Automobile Workers Union sponsored an all-union ticket, appealed solely to a labor vote, and promised an exclusive labor administration. The union candidates, with one or two exceptions in the case of minor offices, were defeated. Veteran Detroit politicians agreed that the chief cause of the defeat of the union slate was that a usually inactive middle class vote had risen by thousands to down the threat of union government.

Another instance on the west coast, produced the same result. Richard Neuberger, in the *Nation* for October 29, writes: "The able but egotistical Harold Prit-

chett, leader of the C.I.O. Lumberjack Union, has not helped matters by holding political meetings and telling people how to vote."

Thus it is seen, ladies and gentlemen, that public opinion antagonistic to unions in general has been the direct result of the participation by the unions in politics. We believe that this result would be avoided if labor unions would confine themselves to problems in labor relations rather than participating in political activity.

Many of us, including, no doubt, a good number of you who are listening, have seriously questioned the reason for union activity in politics. Is it a bona fide attempt to further the solution of labor problems or is it actually the attempt of the union leaders to gain personal political power or advance the political interest of specific union groups?

What has union membership got to do with politics? Absolutely nothing! A union has no right to dictate the vote of the individual member. Every American has the Constitutional right to vote according to the dictates of his conscience. Coercive union direction to the individual union members as to the exercise of their voting rights is a direct violation of the underlying spirit of democracy.

The Affirmative contends that a line should be drawn. Labor should have the right of collective bargaining; labor should have the right to reasonable and fair working conditions; and it is the primary purpose and duty of unions to further these rights. Here the line should be drawn—labor unions should not engage in direct partisan political affiliations or subscribe financial aid to

political candidates' campaign funds. Such activity tends to regiment the vote of union members to the dictates of the union leaders.

After having shown the problem created by union participation in political activities and suggesting a solution, we finally contend that the curtailment of union participation in politics would result in an improvement of public opinion and thus directly benefit the unions.

To illustrate this contention may we point out that in certain states, namely Washington, Oregon, California, and Michigan, the direct result of union action in politics was proposals to limit activities of all labor unions. These proposals included, among their provisions in the various state legislatures, attempts to forbid strikes, to remove the right of picket and boycott, and to limit the right of the unions to collect funds.

It is interesting to note the effect of such legislation in the state of Oregon, a state where the voters accepted such a proposal as the law of that state. By such legislation they have prohibited jurisdictional strikes, outlawed picket and boycott, and limited the power of the unions to collect funds. This example in actual operation proves this contention.

It can thus be seen that the contention of the Affirmative will be for the direct benefit of the unions. If this curtailment is not made, union progress is greatly threatened by the actual adoption of such anti-union laws throughout the country.

Therefore, in order that a current problem of national concern be solved to the ultimate benefit of both

the general public and the labor unions, the Affirmative sincerely contends that labor unions should confine themselves to problems industrial rather than political in nature.

Thus, we, the Affirmative, firmly believe that labor unions should stay out of politics. To so continue will endanger all progress made by labor thus far and threaten its efforts as to the future.

Negative, Cole S. Brembeck
University of Wisconsin

GOOD MORNING, RADIO FRIENDS: In discussing with you this morning the political road that labor should follow—either one of active participation in politics which may take the form of a labor party, or, on the other hand, a more non-partisan policy—we find ourselves in a rather peculiar position. Whereas we feel that labor would definitely benefit by voicing its demands through its own party, labor itself has never unanimously agreed upon this course of action.

While the Committee for Industrial Organization has constantly fought for militant political action, the American Federation of Labor throughout its history has been committed to “voluntarism” or non-partisan action. This traditional stand was emphasized forcibly in the 1906 convention of the A. F. of L., when that body declared “that the American Federation of Labor most firmly and unequivocally favors the independent use of the ballot by the trade unionists and working-men, united regardless of party.”

However, we are glad to note that in recent years this stand is gradually being replaced in the ranks of the A. F. of L. by the much-needed policy of rigorous political promotion. This changing attitude of the A. F. of L. was crystallized in 1933 when the National Recovery Administration and the consequent light improvement in business hurled the American Federation of Labor over the top. From then on, even the staunchest disciples of Samuel Gompers began to praise the principles of government intervention. David J. Saposs, writing in the *Quarterly Journal of Economics*, says, "the effect was immediate and far-reaching. Never before in the history of the trade-union movement, has it made such rapid and such tremendous gains. Within a few months the unions regained the losses of fifteen years." In fact, President William Green, in his keynote address before the 1935 convention of the A. F. of L., stated "that the Federation would declare itself in favor of independent political action in the formation of an independent political party, when the crystallized opinion of the workers indicates that their interests can better be served through such action rather than through the pursuit of a non-partisan policy."

That the opinion of the workers is being crystallized in favor of independent political action is definitely shown by the fact that in this same 1935 convention the unions favoring a labor party possessed 5000 votes and represented about one-half million dues-paying members. We feel that by following this trend, labor will most effectively gain its ends.

Experience has shown that a labor party, no matter

how small, can win more support than would a non-partisan policy. Even while a labor party may be small, it would gain more results than could be gotten from a policy of begging favors from the old parties, or putting "friends of labor," who belong to the old parties, into Congress. Instance after instance could be reported in support of the contention that the threat of independent political action will bring old-line parties into line more quickly than anything else. Legislation protecting funds of the unions was quickly secured in Great Britain when the labor movement organized its own political party in 1906 and put some labor men in Parliament, although there were only nineteen labor representatives out of four hundred members. The workingmen's parties of the 1820's and 1830's of this country were largely influential in getting the public school system established, even though they were weak and presently went out of existence altogether.

Not only has experience shown that a labor party, no matter how small, can win more support than a non-partisan policy, but secondly, labor must organize politically to cope with the increasing demand for labor legislation. "Never in the history of our nation has the average American worker identified his fate so much with the government of our country. Never before did the average American regard so much government, in relation to his own well being. How can organized labor, which is dedicated to the promotion of a better life for the large masses, remain unorganized politically at such a time? The constant technological progress in industrial production must bring new problems to

the labor movement unknown years ago. It creates a permanent unemployment problem which our trade union movement cannot fully solve, which can only be solved through favorable labor legislation." It is imperative that labor have labor legislators in order to fight effectively for labor legislation. It is simply wasted energy for labor to agree in its conventions on a labor program and then go out during election campaigns and disagree on who is best suited to carry out that program. How can labor preach unity of labor forces in the economic field when it demonstrates a division on political issues and political candidates which are supposed to be the agents for the realization of a labor program?

In the third place, a labor party would be beneficial because anti-labor forces outweigh the influence of well-meaning individuals in both major parties. Obviously there are supporters of labor in both the Republican and Democratic parties. However, because of the anti-union forces found there also, these well-meaning individuals find their hands tied. For instance, Governor Lehman of New York is in favor of the child labor amendment. With all the governor's power, he has not been able to force his Democratic party colleagues in the legislature to pass the amendment. It is this bi-partisan combination in the legislatures, the executives, and the judiciary which is being used against labor. While there are some old party leaders who have assisted in the passage of beneficial labor legislation, these times cry out for a great deal more. Labor cannot, and will not, be satisfied with doles and charity.

It wants purchasing power—a decent standard of living. Labor can never achieve this by depending on men who have any allegiance whatsoever to forces whose interests are opposed to labor.

In brief summary, we have seen that labor organizations are realizing the need for concerted effort along partisan political lines. Recent changes of attitude of the A. F. of L., along with the already favorable stand of the C.I.O., lead us to believe that we may expect the formation of a sound labor party, one which will give expression to the needs of all laborers. Then we continued to review the advantages of such a party. First, we have seen that it could win more support than the non-partisan policy. Then, labor must organize politically in order to cope with the increasing demand for labor legislation. Finally, labor cannot depend on well-meaning individuals in the old parties for friendly legislation, because their allegiance is primarily to their own party.

**Negative Rebuttal, Howard W. Runkel
University of Wisconsin**

MADAME CHAIRMAN AND FRIENDS OF THE RADIO AUDIENCE: The gentleman from Kent College has attempted to set forth two contentions which we feel worthy of consideration here: first, that the union has no right to dictate the vote of the individual member, and second, that political activity leads to coercion of the voting union member. Aside from the fact that we are not debating today whether the union should or

should not coerce the vote, our contention throughout this discussion has been that an active labor party would serve the laborer's interests so well that he would voluntarily vote to sustain that party. Indeed, it would be folly to believe that any party could long endure which was not founded upon the rock of voluntary allegiance.

Now, secondly, the gentlemen have stated that if labor unions participate in politics they will alienate public opinion. History does not uphold this contention. It is notorious that the threat of independent political action in the LaFollette campaign of 1924 brought the politicians of the United States Senate and the managers of the railroads to time and led them to placate the railroad workers by putting the railroad board out of business.

The gentlemen have cited the defeat of the labor slate in Michigan as a sure indication of the public disfavor of unions. But certainly the vote that any party polls is not always a positive indication of the party's effectiveness. Who can deny that the Prohibition Party was not a major weapon in bringing about the Eighteenth Amendment? Yet its successes at the polls were always practically negligible. Another historical reference is the case of the Liberty Party, an anti-slavery group, which reached its height in the 1840's. This organization developed out of the abolition movement, which, in turn, sprang from the pen of William Lloyd Garrison. The Liberty Party never polled more than 75,000 votes in a national election, but, in the words of the *Encyclopedia Britannica*, "it had the unique

honor among third parties in the United States of seeing its principles rapidly adopted and realized."

This morning the gentlemen have chosen to draw a line between union activities for the improvement of labor relations and union activities for political purposes. However, such a distinction is a purely fallacious one. It would appear that the gentlemen assume that we are living back in the days of unrestricted enterprise when the worker and government had nothing in common. Today every laborer identifies his fate with the government. Whether or not there is a wage scale below which his earnings cannot fall, whether or not he is required to work twelve hours a day or eight hours a day, whether he works in a sweatshop or in a clean inspected plant—all of these factors depend directly upon the attitude of his government. Thus the conclusion of the opposition lies wholly out of the realm of fact.

Let me summarize the case of the Negative. We have seen that while labor's attempts in politics might on the surface have seemed futile, they have always had deep and far-reaching effects throughout labor history. One of these benefits has been to force the old parties to recognize the needs of labor as would never have been achieved under an inactive policy. This has resulted in favorable legislation. Another effect would be to enable labor through political campaigns to present its needs to the public in a peaceful manner. Thus when we can get a sympathetic understanding by both labor and the public of their common problems, we feel that a new day will have dawned for industrial relations.

And now may we as Hesperians of the University of Wisconsin take the opportunity to express our appreciation to the Chicago-Kent College of Law and this radio station for the privilege of discussing this question with you.

Affirmative Rebuttal, John B. White, Jr.
Chicago-Kent College of Law

LADIES AND GENTLEMEN: The arguments of the Negative this morning remind me of the thoroughbred race horse who was made to wear heavy harness and team up with a dray horse for pulling a large wagon. The race horse was determined not to strain his muscles by working like a dray horse and kept saying, "I'm a race horse. I don't have to work." Other horses, hearing what the race horse had to say, looked at him and looked at the heavy harness. They decided that he was no race horse or he wouldn't be wearing that heavy harness. The Affirmative, like the philosophic dray horse beside the thoroughbred, has come to the conclusion that "since you've got to wear the harness, you might as well pull the load."

The harness the Negative wears for this debate is the task of proving that labor unions should engage in politics. They have not "pulled the load," however, because their argument has shown only that a labor party should be formed. There is certainly a distinction, clear in everyone's mind, between labor unions and laborers in general. According to the most generous figures of union leaders themselves, only about 15

per cent of American workers are union members. The Negative talks about laborers rather than labor unions. They talk about all workingmen rather than the organizations which represent but one out of every seven of them.

Let us analyze the debate this morning. Labor problems, in general, are like a vast river which has to be crossed. At present the major political parties have their own ready-made raft to cross this river on. The issue of this debate is not whether all workingmen, union or non-union, should build their own raft—that is, organize their own all-labor party. The issue is whether or not unions should try to boss the raft already built. We of the Affirmative say they should not. The Negative has not said one way or the other, but has contented itself with saying that a labor party should be organized—that labor should run its own raft. In other words, the Negative has done a lot of fine and necessary plowing in Mr. Labor Party's field, but that is not the field we are supposed to plow today. The plowing we're to do is in Mr. Labor Union's field of political activity.

To get back to the basic issues, both the Negative and the Affirmative agree that a labor problem exists. In the solution of this problem, we, the Affirmative, believe that labor unions would do well to confine their activities to industrial problems rather than engage in direct political activity as a union. The Affirmative, after a study of anti-labor legislation in the State of Oregon, has concluded that one of the primary reasons for the laws was union participation in politics and

inter-union rivalry which prompted this political action. The Negative has not answered this contention. It cannot deny that the risk to all labor of losing the right to strike, the right to picket, the right to boycott, and the right to collect funds is far out of proportion to what may be gained by the individual union by its participation in politics.

The Negative has not denied that union political activity has engendered public opinion adverse to all labor. The Negative cites an example of public opinion in 1924—we are interested in 1939. In this country, a democracy where the majority still rules, favorable public opinion is absolutely necessary for the progress of any group in the solution of its problems. And who can deny when the great cloud of public opinion is chilled by union political action that the following storm and rain fall on union workmen and non-union workmen alike?

What we, the Affirmative, contend is that labor union participation in politics is detrimental to the best interests of all labor. The Negative has not shown where or when union activities in politics have been ultimately beneficial to all labor. They have shown why there should be a labor party, which we all admit and which is not the subject of this debate, but they have not shown why a labor union should participate in politics. We do not confuse labor unions with a labor party; we do not plow the whole field of labor problems when only one corner, union political activity, needs our attention; no matter whether we're a race horse or a dray horse, we're pulling a load today because that's the harness we're wearing.

In summary, the Negative has failed to refute these contentions of the Affirmative:

Union participation in politics has become a problem to all laborers, which includes members of labor unions as well as workers who are unorganized. Because of this problem the Affirmative believes that unions should stay out of direct or partisan political affiliations as a union. Labor unions should stay out of politics because engagement in political activity has already resulted in the enactment of anti-labor laws in Oregon and threatens similar results throughout the country.

Therefore, we, the Affirmative, conclude that labor unions should stay out of politics because it will be to the ultimate benefit of all laborers that they do so.

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INCORPORATION OF LABOR UNIONS

An Electrical Transcription Debate

UNIVERSITY OF PENNSYLVANIA AFFIRMATIVE *vs.*
UNIVERSITY OF PITTSBURGH NEGATIVE

On the evening of January 31, 1939 the University of Pennsylvania taking the Affirmative met the University of Pittsburgh Negative on the question of incorporating the labor unions. The debate was electrically transcribed and later taken off the records and put into manuscript form for *Intercollegiate Debates*.

The problem of making the labor unions responsible before the law and liable for a breach of contract has long been one of importance in all discussions of labor and capital relations in industry. Undoubtedly the discussion will continue until something is done to make the labor organizations more responsible. Labor legislation cannot all be directed at making the employer assume his full obligation without some attention being paid to the obligations assumed by the employee, which may or may not be fulfilled satisfactorily as long as legal action to require fulfillment is lacking. The Pennsylvania debate teams, living in an industrial state, are logical teams to discuss such an important industrial problem.

The question debated was phrased: Resolved, that all labor unions in the United States should be incorporated.

The speeches were collected and contributed to this volume by Professor Roy H. Umble, Director of Debate at the University of Pittsburgh, with the cooperation of the Pennsylvania debaters and their coach.

INCORPORATION OF LABOR UNIONS

First Affirmative, Kalman Silvert
University of Pennsylvania

LADIES AND GENTLEMEN: In discussing this important and timely question of the incorporation of labor unions, we must first understand the changed status which labor has recently acquired in this country. From small groups of so-called radicals hounded by vicious vigilantes, unions have come to assume a position of vast economic and political importance, and will comprise some ten million members by 1940 should the present rate of expansion continue. Unfortunately, regulatory statutes have not grown in relation with this influential group, for with great expansion have come as yet unanswered questions of civil liability and exact legal status. Matthew Woll, vice-president of the American Federation of Labor, has significantly asked: "Have the Sherman and the Clayton Anti-Trust laws been correspondingly enlarged to cover the collective activities of labor, and if so, to what extent are labor unions now liable to damages under the federal anti-trust acts?"

The answer to these questions can be found in the enactment of legislation requiring the incorporation of all labor unions. In brief, this plan would operate for the benefit of both workers and employers in the states in which the union is registered. All unions would be

made criminally and legally responsible under the laws of incorporation and as to the publishing of complete financial statements. After all, the members of a union should have the right to know of the disposition of the funds which they themselves have contributed. Under state incorporation, labor has as many advantages as capital, for the lenient corporate laws of Delaware would be open to John L. Lewis as well as the scion of the DuPonts. Thus no advantage of sectionalism would serve to help business and hinder labor.

In general, the unions would be immeasurably helped by such a scheme without losing any advantages to the employer. This our opponents of course deny, pointing out that many unions have themselves opposed this plan of organization. But hasn't business, too, condemned the regulatory statutes of 1914 and earlier; yet who now denies the worth of such laws as the Clayton Anti-Trust Act and the earlier acts directed against monopolies? Another benefit accruing from incorporation would be the publicity attached to registration; as the Securities and Exchange Commission has found, popular demand soon roots out the evils of administration as soon as the results of those evils are made apparent through publication. Unions have also been used frequently by the underworld to the detriment of the whole cause of labor. An Extraordinary Grand Jury of New York City sitting in 1935, found that through the use of dummy trade and labor unions, extortion had been practised upon the business men of New York. The report stated: "Various legal immunities given to labor unions have unfortunately made

them in a number of instances a particularly attractive instrument of extortion for the underworld."

Is it not obvious that if these illegal practices were smoked out with the help of labor itself, that a favorable impression would be made on both public and employer that would greatly brighten the future of the entire labor movement? Perhaps more immediately important to organized labor is the certainty that company unions would be ferreted out by incorporation, for their true character would be instantly discernible on their organizational and financial sheets. It must be remembered that despite the stringent rulings of the National Labor Relations Board, it is estimated that at present there are four times as many company as trade unions in existence. Again labor would receive the benefits.

No more would the vitally interested consuming public see groups of legally irresponsible men staging wild-cat strikes at the drop of a hat. Instead they would see legally organized associations watched over by the same government that controls their wrongdoings as well as those of labor. No more will the flip superficiality of such men as E. L. Smith, of the N.L.R.B., be tolerated in such statements as this: "If union members let themselves be badly governed, the loss and responsibility would seem to be theirs and not their employers." Of what worth is this statement in the face of the great public damage done by the recent shipping strikes on the Pacific Coast and the sit-down in the Detroit automobile factories? The public has a right to say something about the actions of some ten

million citizens, who directly represent another thirty million dependents.

The Affirmative has sought to show that the incorporation of labor unions is of primary benefit directly to the workers because it will lead to more favorable opinion, the destruction of racketeering and company unionism, the more efficient disposition of funds, and a greater willingness on the part of the employer to deal with a group he knows to be fully organized and responsible under the law. The recently retired Associate Justice Brandeis of the Supreme Court has adequately summed up the arguments for incorporation in his statement: "This practical immunity of the unions from legal liability is deemed by many labor leaders a great advantage. To me it seems to be just the reverse, for it tends to make officers and members reckless, and thereby to alienate public sympathy and bring failure on their efforts. It creates on the part of the employer also a bitter antagonism, not so much on account of lawless acts as from a deep-rooted sense of injustice from the feeling that while the employer is subject to the law, the union holds a position of legal irresponsibility."

First Negative, Bernard McKenna
University of Pittsburgh

LADIES AND GENTLEMEN, AND OUR FRIENDS FROM THE UNIVERSITY OF PENNSYLVANIA: I think it is very fitting that this question of industrial relations should be discussed by two colleges from the state of Pennsylvania—a state in which there are a great many of the

most important industries of the national economy. In our state we find twelve per cent of the nation's manufacturing industries. We find also that we are the center of the steel industry, and a large part of the glass industry. The coal, oil, and the railroad interests also have large holdings in Pennsylvania. Pennsylvania, too, has had her share of labor troubles and of labor benefits. Mr. Dizenfeld and I, however, base our entire case against the incorporation of labor unions on the premise that for the state of Pennsylvania as well as for the nation at large, a strong, free, and independent labor movement is desirable for the workers, for the employers, and for that part of society remaining to be labeled the public. It is agreed, I believe, by the gentlemen from Pennsylvania that this policy has existed in the United States since 1933. It is then almost obvious that the workers themselves benefit from a labor union and I need not dwell long on that phase. May I point out only one simple discovery made by Professor Douglas who found that in isolated cases and for workers as a whole throughout industry, the wages of union workers exceeded those of non-union workers. He shows, too, that it was first the union worker who received the eight hour day and the shorter work week; after the unions had received these benefits, the good results filtered down to help even unorganized labor. The legislative pressure of union workers has helped all labor. And so it seems that for the workers, strong and independent unions are a necessity.

When we come to the employer, we clash with the case of Mr. Bank and Mr. Silvert. They say that the

employers are today in an unfair position. The employers are injured because our labor unions are strong, because they are free, because they have been encouraged. But ladies and gentlemen, is it in industries where the union is strong that the employer is menaced by the acts of his laborers? On the contrary. There has not been a major strike in the railroad industry, for example, in twenty-one years. That is because there is a strong, well organized union in the railroad industry recognized by the employers. Mr. Silvert might have referred to Mr. Ford or to Mr. Girdler as typical employers still bothered by labor troubles. Remember that these men have not recognized their unions, and that unions in their plants are not strengthened and made responsible by holding even their deserved privileges under the Wagner Labor Act. We must judge the seriousness of the employer's labor troubles on how well he lives up to the laws already on the statute books.

What about the public? Are they benefited by strong labor unions? It has been said that they have been inconvenienced by labor disputes. This may be true; but is the public menaced by strong unions which are already recognized by their employers? Certainly not. Strong unions like the railroad unions and others do not hurt the public, and the public has realized this. Through Congressional action starting with the Recovery Act of 1933 and following up through the Wagner Act, we have established as a national policy a preference for free unions, strong and independent, recognized by the employer for collective bargaining.

Mr. Dizenfeld and I find that incorporation of labor unions does not offer anything new or any favorable method of perpetuating this established national policy. What have been the good reasons, the needs as expressed by Mr. Silvert that require incorporation? He has said that unions have been financially irresponsible to their members; he has said that labor unions have been guilty of racketeering, corruption; and he has said that there is no legal responsibility imposed upon the labor union.

Let us examine what incorporation will do to remedy the first evil—that unions are financially irresponsible to their members. I challenge Mr. Bank and Mr. Silvert to examine the financial statements of any strong independent union in the United States, such as the United Mine Workers, the Railroad Brotherhoods, and the International Ladies Garment Workers. Let them look into the books of these unions and see the financial statements that will compare favorably to the statements of any corporation such as the Gulf Oil or others. Besides, even if incorporated, a union or a company need not be any more honest than before. Mr. Insull's company was a corporation, and yet his books were kept with many rather serious errors in arithmetic. Unions already keep books, have audits, and allow any member to examine the records. Incorporation would do absolutely nothing to increase financial responsibility.

The same is true of alleged labor union racketeering. Does it follow that because some unions are racketeering on the periphery of our strong and respectable na-

tional organizations that incorporation will clean out this ugly sore on the edge of the labor movement? Certainly not. We know that incorporated businesses often are guilty of racketeering. In the cleaning and dyeing industries of New York, in the laundry rackets, in the poultry rackets we find several very serious cases of fraud, corruption, and evasion of the law on the part of incorporated businesses. A timely example where incorporation has failed to stop fraud has been that of the McKesson-Robbins Company, where Philip Coster Musica hid behind the legal fiction of a corporation in order to abscond with some \$18,000,000 of his stockholders' money. Did incorporation make racketeering harder for Mr. Musica? No, it had the opposite effect. He hid behind the legal fiction of incorporation.

What is the real cure for labor racketeering? It seems to me that we should cease bickering about the regulation and incorporation of labor unions. We should instead appoint some Tom Dewey as they did in New York, and let him clean things up simply by enforcing the laws already on the books. There is no other cure for racketeering.

It has been urged that incorporation will give the union equal legal responsibility and a status corresponding to that of the employer. It must be noticed at this point that no employer at the present time is forced to incorporate. Furthermore, according to the Affirmative case, bargaining organizations of the employers are not to be forced to incorporate at all. As such, the proposed legislation would be discriminatory, and wholly beyond our democratic and equal operation

of the laws. However, labor unions are at the present time far more responsible than is realized. In 1925 a branch of the United Mine Workers, Local 21, inflicted serious damages on the Coronado Coal Company during a strike. The coal company sued for damages, and even though the case was finally settled out of court, the Supreme Court did hand down a decision in which it declared that a labor union was responsible as an entity, could be sued as an entity, and in cases where severe damages had been inflicted, the union's treasuries could be attached to pay the usual triple damages under the Sherman and other anti-trust acts. So the labor union, we see, in its present unincorporated position may be sued just as any corporation may be sued, and it may be held responsible just as any corporation may be held responsible. Incorporation of labor unions does not offer anything new or effective in changing the legal status of the labor union.

The incorporation of labor unions, you see, offers nothing new at all in perpetuating or controlling our strong and independent labor organizations. These strong national unions exist in evidence of a declared national policy. Incorporation will not make them more responsible legally or financially; incorporation will not clean up racketeering or secure universal peace on the labor front. Incorporation is a term wholly out of place in a discussion of labor unions or labor relations.

Second Affirmative, Melvin A. Bank
University of Pennsylvania

LADIES AND GENTLEMEN: As you know, the topic under fire today is: Resolved, that labor unions should be incorporated. We of the Affirmative, representing the University of Pennsylvania, would like to preface the main body of our argument with a brief discussion of the terms of the resolution. First, we include in the concept of labor unions all unions, whether they be company organizations, run for and by the employer; whether they be industrial unions of the C.I.O. type; or craft unions like those in the American Federation of Labor. The term *labor union* implies any or all of these. With regard to the process of incorporation, we intend the incorporation to be a compulsory action enforced by the several states, and not by the Federal Government, whose formulation of the laws of incorporation would be unconstitutional. However, under the interstate commerce clause, the government has come to have considerable control and regulation of corporate enterprises, and the Federal Government would have the same measure of control over incorporated unions.

I think it essential to an understanding of this question and to an understanding of the peculiar position of labor today that we trace the spasmodic progress of organized labor in this country. Despite the giant strides we have made in industry, in education, in agriculture, and in government, organized labor in the United States is some twenty years, perhaps thirty years, behind the labor movement in Great Britain and

behind the pre-Nazi status of labor in the Second Reich under men like Bruening. Why? Well, for one thing the expansion of large-scale industry came a little later here than in Europe.

It was not until 1869 that a strong national labor organization was born in this country. On Thanksgiving Day of that year a Philadelphia tailor founded what was to become the Knights of Labor. By 1886 this group had a membership of more than 703,000. Begun in 1881 and reorganized in its present form in 1886, the American Federation of Labor remained, until the advent of the C.I.O., the single great American labor body, with a roll call in 1904 of 1,500,000. In the steel industry in 1890, blast furnace workers labored twelve hours a day, seven days a week, with a continuous twenty-four hour shift once every two weeks. Wages were so low that an adequate standard of living could not be maintained; hours were long, and working conditions were poor. It was only natural that labor unions, with higher standards and demands, multiply and remultiply their membership. But theirs was a weary, uphill battle. Big industry used no scruples in fighting the unions; courts were unfriendly and even actively hostile; legislation was weak or else openly against labor. The unions fought bitterly for recognition; they were crippled by state laws which declared many phases of labor organization a conspiracy subject to fine or imprisonment, or both. In 1886 Samuel Gompers, then of the Federation of Trade Unions, demanded "recognition of the principle of the lawful

character of trade unions." Government—state and federal—was strongly anti-union.

But with the coming of the New Deal in 1932, the entire picture assumed a different hue. Under the democratic leadership of President Roosevelt, the attitude of the government was reversed. The N.R.A. codes actually recognized the right of labor to bargain collectively. The long fight of Samuel Gompers and his successors was won. A few years later came the Wagner Labor Act, which made it a criminal offense to interfere with the rights of labor. There followed a mammoth increase in the ranks of organized labor, there grew what is now the Congress for Industrial Organizations which rivaled the A. F. of L. itself in strength. Quickly the auto, steel, and rubber industries were struck and organized. Only a few desperate employers like Henry Ford and Tom Girdler successfully resisted the drive. Labor's position in a few short years had completely been turned about. From an underdog, a despised, ridiculed unimportant faction, it became a privileged group protected by federal law, and an important pressure on government. And the employer, formerly supreme in his own plant, sometimes benevolent, but more often thoughtless in his drive for profits, now was harried by the government and by firm labor organization. The governmental seesaw now had swung the worker high and had ducked the employer in the shallows. Labor's new demands for very high wages, very short hours obviously are every bit as unfair as the miserable conditions imposed by the employer prior to the advent of the New Deal.

And now I come to the core of the problem. What we seek to do is to establish an equilibrium between the forces of labor and capital, to balance the seesaw, to make labor and capital equally responsible for their actions, equally subject to the laws of the nation. This may best be accomplished by incorporation of labor unions. It will bring about that balance so precious and necessary to the economic and social well-being of the United States. Assuming the full implications of the question, we advocate passage by the several states of laws making compulsory the incorporation of all labor unions. We believe that, by and large, this incorporation will in the long run prove beneficial to the public interests, to government, both state and federal, to business, and to organized labor itself.

Here are a few of the benefits to business and labor both. Business has been paralyzed by factional strife between the C.I.O. and the A. F. of L. After incorporation both unions would be forced to abide by contracts dealing with wages and hours, and employers would be forced to adhere to collective bargaining arrangements. At present, and mark this well, there are no legal means to enforce these, because they are merely agreements, not contracts—agreements, I repeat, not contracts. Under a system of union incorporation, however, both employer and union would be made to live up to the terms of their bargain.

Also, a firm check might be kept on the financial manipulations of union officials, thus protecting the interests of union members and at the same time eliminating much of the racketeering that has been a cancer

of the labor movement. Then, too, if unions were incorporated much of the radical tendencies and unsteady leadership of labor would be checked; for wild, illegal tactics and harsh, destructive policies would be less likely to persist within the firm structure of corporation than in the loose organization of labor today. Sit-down strikes, for example, might easily be averted merely by informing officers of the corporation that they were violating the law. Today union officials glibly explain that they cannot stop sit-down strikes and often only the militia can stop the practice.

In other words, while we of the Affirmative make no claim that incorporation is a panacea, a cure-all, we do insist that it will eliminate many of the evils that exist today in our labor relationships.

**Second Negative, Saul Dizenfeld
University of Pittsburgh**

LADIES AND GENTLEMEN: In discussing this very timely topic as to whether or not labor unions should be incorporated, it seems to me that we all agree in our ultimate aim—industrial peace and industrial stability. We of Pittsburgh, however, do not believe that this aim can be achieved by forcing labor to submit to governmental regulation and domination.

Mr. Bank, in summing up the Affirmative case, very modestly admitted that his plan was not a cure-all. I agree with Mr. Bank, but more accurately, incorporation of labor unions will cure nothing. Such action will add nothing new or effective to the regulation of evils

admittedly existent in union activity. Nor will it increase the responsibility of leaders in the labor movement. Mr. McKenna has pointed out to you that unions are already legally liable and responsible in the eyes of the law; that unions have been, and can be, sued under their present status. The suggestion which claims that by requiring unions to publish financial reports, racketeering can be cleaned up is not even plausible.

Every day we read of "responsible" officers embezzling funds of corporations which do publish financial reports. Need I again mention the name of Mr. Philip Coster Musica, who relieved the McKesson Company of eighteen million dollars with that shortage never showing up in the financial statements made to the stockholders. To say that publication of financial statements will end union racketeering is wishful thinking in its worst form. Racketeering exists today in many incorporated businesses; it is quite evident that the mere act of incorporation has not, and cannot solve the problem. The solution lies not in the passage of more laws, but in the stricter enforcement of existing laws. Racket busting in Manhattan, Brooklyn, Kansas City, and other notorious places is being achieved not by the enactment of statutes, but by the honest enforcement of law by such men as Mr. Dewey, Mr. Amen, and Governor Stark of Missouri.

If incorporation of labor unions is not the answer, if it will not achieve our aim of industrial peace and stability, why then is it so vociferously supported by such "public spirited" organizations as the National Associa-

tion of Manufacturers and the United States Chamber of Commerce? On the other hand, why is the plan so strongly opposed by both the C.I.O. and the A. F. of L.? Behind the camouflage of civic and legal righteousness set up by proponents of compulsory incorporation of all labor unions, we find that this plan is merely a device for handcuffing labor and bringing the union movement to its knees.

By making unions more easily suable, anti-union employers would be able to carry all their disputes to the courts, to conduct long, drawn out court battles which will interfere with union activity. By forcing unions to accept the legal fiction of incorporation, these Girdlers and Weirs can plant spies in the unions to bring stockholder suits at strategic moments. These continual suits would tie up union treasuries in endless litigation, thereby sapping the unions' strength. Mr. Silvert closed his first Affirmative speech by very cleverly quoting Justice Louis Brandeis to the effect that unions should be incorporated, thereby implying that Mr. Brandeis was supporting the arguments of Mr. Silvert. What he neglected to mention, however, was that the statement of Mr. Brandeis was made in 1915 when collective bargaining was not widely accepted, and when labor was fighting for recognition in the courts. What Mr. Brandeis proposed was voluntary incorporation which would permit labor unions to gain recognition in the courts. Today the situation is changed, and as Mr. Silvert well knows, Mr. Brandeis does not favor incorporation of labor unions.

Some questions come to mind as I consider this sug-

gestion that all unions be incorporated. Why should labor unions be so regulated when no other similar organization, profit or non-profit, is required to incorporate? Why should there be such discrimination against unions? United States Steel is incorporated. Yes. But it became a corporation voluntarily because of the advantages to be derived therefrom. The National Association of Manufacturers is not incorporated although it is organized for the same fundamental reasons as are labor unions. The United States Chamber of Commerce is not forced to incorporate. A labor union is the chamber of commerce of the workers since it is the medium through which they too can express their wishes. If these organizations are not forced to incorporate, why then must we apply such discriminatory legislation to labor unions?

Mr. Bank stressed the fact that agreements between unions and employers are just agreements, not contracts. I'm glad he made that clear. The observance of these collective bargaining agreements depends on the good will and confidence of the two bargaining groups. It requires not merely observance of the letter, but also of the spirit of the agreement. It is in this way, and this way alone, that we can ever achieve real industrial peace. This spirit of collaboration and willingness to cooperate does not flower in the hostile atmosphere of the courtroom. Lawsuits beget animosity, and it is better to have no agreement if its enforcement must stand or fall in the courtroom.

What we do propose is this: let employers recognize the elected representatives of their workers, let them

bargain with them in good faith to improve industrial conditions and we shall soon reap the benefits of industrial peace and stability. This has been demonstrated in such countries as England and Sweden, as well as here in the United States where the number of strikes, other than those caused by jurisdictional disputes, has steadily decreased since the N.L.R.B. was recognized by the Supreme Court.

In summing up our case against incorporation of unions, I should like to point out that we of Pittsburgh believe that industrial peace can not be achieved when the employer-employee relations are based on a system of force wherein one side is compelled to incorporate. Mr. McKenna has pointed out how such an anti-union device would work to the disadvantage of the entire country. He has shown you how a strong labor union movement is essential to the prosperity of our country, and how important an independent labor movement is to the maintenance of our American standard of living. Those industries in which the powerful, independent United Mine Workers, the Clothing Workers, and the Railroad Brotherhoods are recognized, are the most peaceful and stable in our entire national economy. Incorporation of labor unions will not cure the evils now existent in trade unionism. The answer is enforcement, not additional legislation. We oppose the incorporation of labor unions because it will hamstring the very necessary union movement, and because it will increase rather than decrease industrial strife. The American people have accepted the principle of free, unhampered collective bargaining as the basis of our

national industrial policy. Let us proceed along such voluntary lines rather than by diverting the process to a system of one sided compulsion that cannot work.

Negative Rebuttal, Bernard McKenna
University of Pittsburgh

LADIES AND GENTLEMEN: There has been no dispute this afternoon over the desirability of continuing our national policy of strong and independent labor unions. There has been a clash only as to the degree of freedom that should be allowed these unions which we admit are necessary. The question must be decided largely by summarizing what the incorporation of labor unions will do to control or perpetuate this national policy. I have shown you, and it has not been disputed, that our strong and free labor unions are financially responsible; they do keep books accurately; and that they do publish financial statements equivalent to those of any corporation that now exists. It has been shown further that state auditing of books will bring about the necessary control without the needless and worthless bother of incorporation. Also, I again urge that incorporation will not bring honesty in financial accounting. Financial responsibility will not be increased by incorporating labor unions, for honesty and responsibility cannot be legislated.

It has been urged upon us that racketeering will be stopped by incorporation and that predatory unions preying on the employers and on the workers themselves will be smashed. I have shown two facts: that

rackets and fraudulent activities can be run more easily under the legal fiction of a corporation, and that the real cure for labor union racketeering at present is to appoint a Tom Dewey to enforce the existing laws. It should be noted in passing that Mr. Dewey did not attack any of the large unions, any of the strong and free unions. Why should these now be asked to suffer incorporation for the corruption that exists outside their organizations?

It is urged further that the sit-down strike and other illegal acts of labor will be remedied if we legislate against labor unions and require incorporation by state law. How strange this idea becomes when it is recalled that the sit-down strike in Detroit was carried on in defiance of an injunction of the highest court of the State of Michigan! Legislation or incorporation will not cure the sit-down. Incorporation is wanted by employers not to stop labor violence, but to ruin labor by some of the practices Mr. Dizenfeld has detailed for us in his constructive speech. Mr. Girdler and Mr. Ford may urge upon us to incorporate unions, but this is not because they do not want labor troubles; it is because they do not want labor unions.

The most controversial issue of this debate has been that of how much legal responsibility a labor union has or how much responsibility it should have. It is said that contracts of unions and employers may not be enforced by the courts. The agreements, however, are not enforceable because they are not contracts, not because of the status of the union. This also we feel is desirable. According to Carroll R. Daugherty, ". . . it is

better that agreements should not be thought of as contracts in a legal sense, but that they should be considered friendly agreements between the workers and the employers. In this way we have the only method possible of enforcing the obligations of that agreement—the mutual trust and cooperation with one another.” It can easily be seen how much better a method is this suggested by Dr. Daugherty than the clumsy and legalistic procedure hoped for by Mr. Silvert after incorporation has been established for labor unions.

Finally, Mr. Silvert has claimed that no clear doctrine is established for the responsibility of labor unions under the anti-trust acts and under the more simple question of suability as an entity. I feel that I have answered his charges rather completely in citing the famous Coronado Coal Case of 1925 in which both these questions of responsibility under the anti-trust acts and the suability as an entity were answered in the affirmative by the highest court in the land. To this case I might add the Danbury Hatters Case, the Debs Case, and the Duplex Printing Case. All of these answered the questions in much the same manner. If at the present time there is some lack of clarity in whether or not a union is suable as an entity, I regard this as desirable. In serious cases, such as the Coronado Coal Case, the unions may be sued and held liable as entities; in petty or purely anti-union thrusts by the employers, the judge may deny the right to sue the labor union as an entity. If we incorporate unions we will encourage the anti-union employer to resort to long and drawn out litigation in the courts rather than to

submit to swift and sensible conciliation with his workers. Hence, in this sense, incorporation of labor unions will serve only as a destructive device.

Lastly, I must repeat again our main contention. That consists mainly in a review of the satisfactory qualities of our free and strong and independent labor unions. No one objects to the Railroad Brotherhoods, to the International Ladies Garment Workers, to the Amalgamated Clothing Workers. These are old and established. No one wants to incorporate them. It is only the young and wild unions that give trouble, along with, I might add, a few juvenile and wild employers. Yet to incorporate these labor unions, I hope I have shown, would do more harm than good. To incorporate the United Automobile Workers would be to waive all hope that some day the auto workers might achieve the respectable status of the railroad workers. To become respectable these new unions must mature slowly and in the same free atmosphere as did our present creditable unions. Their responsibility too, must come gradually, from a self discipline springing from within their own organization. Incorporation or any regulation will never bring the desired peace and understanding between the master and his workers. We will have industrial peace only when all unions and all employers come fully of age.

Affirmative Rebuttal, Melvin A. Bank
University of Pennsylvania

LADIES AND GENTLEMEN: Mr. McKenna has admitted that his whole case is centered about a desire for a free and independent labor movement, a vigorous and healthy labor movement. We agree that labor should be free and healthy, but what we fear is a labor movement too wild and too free for our national welfare. We must safeguard, as well as we do the interests of young labor, the interests of business, of the public, and of our National Government. For that reason we advocate incorporation of labor unions. Our opponents have declared that the strong free unions are not the unions that are making trouble. We disagree. We find that most of our strikes and labor difficulties have come from the growing steel, automobile, and shipping unions.

Mr. McKenna replied to my statement which said that incorporation will eliminate financial racketeering and irresponsibility on the part of labor unions, by declaring that incorporation has not prevented racketeering of big business. I would like to point out that business fraud always has been uncovered by incorporation, rather than shielded by it, as the Negative intimated. Philip Musica, head of McKesson and Robbins, for example, was exposed because a corporation financial statement showed that no insurance was taken out on a fictitious warehouse. Even as incorporation has lessened business racketeering, so will it lessen labor racketeering.

It is true that at the present time in some states the books of labor organizations are looked over by state accountants. But let me emphasize that this inspection is casual; it is not all inclusive. Many states simply do not inspect the books at all. Under incorporation there would be regular, thorough, standardized auditing of the financial accounts of labor organizations.

A democracy, said Mr. Dizenfeld, needs a free labor to fight fascism and intolerance. No! On the contrary, we must not allow labor to run wild, if for no other reason than to give the forces of reaction no provocation for trouble-making. It was in Germany and Italy, where labor was most untrammeled and freest to act, that the seeds of reaction took root and grew. Incorporation will serve as a preservative of democracy rather than as a despoiler.

It has been said that incorporation will make it easy for employers to attack unions in courts, and to halt by court action any attempt by labor unions for self-assertion. But this sort of court action takes place now, even though there is no corporation. Big business has been just as effective in this legal sabotage without incorporation.

Mr. McKenna has admitted that the legal situation in regard to the responsibility of labor unions for strike damages has not been clarified. But this, he says, is good; it is helpful to labor. He also pointed to the Coronado Coal Case and the Danbury Hatters Case as examples of where the courts placed responsibility on unions even though they were unincorporated. Ignoring the contradictory implications of these statements,

we of the Affirmative reply that the two cases cited predate the Wagner Labor Act. At present our laws are pro-labor, and it is much more difficult to fix labor's responsibility. Again, even if we admit that unions are liable—which we do not—there is no way to enforce agreements made as to hours and wages. There is no way to make unions live up to their agreements.

The Negative has said that since business is not required to incorporate, labor should not be required to incorporate. However, I know of no business organization with thousands of stockholders which is not incorporated. Also, unincorporated business is not the menace to labor that incorporated business is. It is the large corporations whose executives act under the cloak of the corporation that most threaten labor. Incorporated labor unions would better be able to deal with these organizations. As far as union members are concerned, incorporation would limit their liability to the value of the stock they have in the labor corporation.

In conclusion, we of the Affirmative, representing the University of Pennsylvania, have shown how historically the pendulum of government favoritism and protection has swung from big business to labor, and we have advocated incorporation of labor unions as a means of adjustment between the two, and as a means of giving to business enterprise the protection which the Wagner Act has given to labor.

We have pointed out further that in the long run, a policy of incorporation will prove beneficial to labor at large, even though certain short-sighted labor leaders

oppose such a move at present. We have shown that the general public, and the government, whose duty it is to guard the welfare of the same public, will benefit by a reduction in the number of useless strikes, by the elimination of illegal tactics in labor disputes, and by the sound organization of unions. Business also will benefit from incorporation because contracts will be made binding, because responsibility among labor men will be fixed, and because strikes that are unjustified will be stopped. We have shown also that company unionism, which presents a greater danger to organized labor than any other single factor in this country today, will be severely regulated under a system of incorporation.

In view of the three-fold benefits of incorporation, to business, to labor, and to the public, we of the University of Pennsylvania feel that labor unions should be incorporated.

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THE POLICY OF ISOLATION AND
NEUTRALITY BY THE UNITED
STATES

Womens' Intercollegiate Debate

STATE COLLEGE OF WASHINGTON AFFIRMATIVE *vs.*
WHITMAN COLLEGE NEGATIVE

The problem of keeping the United States at peace despite what happens in an embroiled world has many theoretical solutions in the minds of the various pacifistic thinkers. One solution, is the policy of isolating the United States completely from nations at war, the purpose being to quarantine this country from any possible infection from the war virus. Isolation is another version or variant of the knotty problem of maintaining neutrality or of preventing war despite inability to maintain neutrality. Such a subject is intriguing to the college debater, who is almost invariably a militant pacifist.

The debate appearing here is one of a series of debates on this subject held in the Northwest. This subject was the supplementary or second subject used in the annual Linfield College Tournament in February. It was not as popular and did not draw as many teams as did the national subject: Government Spending to Stimulate Business, but it proved to be a very interesting subject. The Washington State debaters won the tournament section at Linfield.

The statement of the proposition was: Resolved, that the United States should adopt a policy of isolation toward all nations involved in international or civil conflict. This debate was held at Walla Walla, Washington, over Station KUJ, December 3, 1938.

The speeches were collected and submitted to *Intercollegiate Debates* by Professors W. H. Veatch of Washington State and John W. Ackley of Whitman College.

THE POLICY OF ISOLATION AND NEUTRALITY BY THE UNITED STATES

First Affirmative, Elna Schmitz
State College of Washington

MR. CHAIRMAN, FRIENDS OF THE RADIO AUDIENCE: We of the Affirmative are very glad to have this opportunity to meet our friends from Whitman College this afternoon, and discuss a problem with them which is extremely vital to present-day affairs.

Peaceful conditions between nations have been sought for since countries sprang into existence. The United States has tried treaties, alliances, and neutrality laws in an effort to find a solution to this perplexing problem. This nation unsuccessfully entered into a war to end all wars. There is yet to be found a pathway to peace for the United States and for the countries of the world. In the meantime, the American people are wondering and fearing. Will this nation again slip into deadly conflict? One hundred and twenty-eight million American people raise an earnest cry for peace. In an effort to find a way that peace may be secured, we debate the question: Resolved, that the United States should adopt a policy of isolation toward all nations involved in international or civil conflict.

We understand the policy of isolation which we are

discussing to mean complete isolation toward warring countries. We do want it to be understood, however, that we are not talking about the same type of isolation which Secretary of State Cordell Hull has been referring to of late. Hull's statements embody isolating the United States from the world. We are debating isolation of the warring countries from the United States. The term "involved," contained in our resolution, applies to those nations actively engaged in warfare. When the government of any nation officially recognizes its participation in conflict—declared or undeclared—we shall consider that country as involved in a war. China would be considered involved in a war, while Italy's rather indirect aid to the civil conflict in Spain would not come under the scope of this question. International conflict means actual warfare between nations; civil conflict concerns warfare within the bounds of any nation.

With the terms of the question carefully analyzed, we may now discuss the policy of isolation we are advocating. First, a word of reminder. Should such a proposal as we are advocating be put into effect, we do not expect that a utopian condition will be gained for the United States or for the world. Such a condition in this age is clearly impossible. But we do believe that a stabilization of the unrest existing in the European nations would ultimately result. It is not illogical to assume that peace and non-participation in war will appeal to other strong nations; the examples of these nations in turn will have influence on other countries.

Our objective, then, is to find a course of action that

would tend toward peace and stabilization in foreign affairs for the United States and the world. With that fact in mind, let us examine the system of neutrality which the United States upholds today. Briefly, the Neutrality Act calls for an embargo on the shipment to warring countries of arms, munitions, and implements of war. The Neutrality Act, however, permits foreign ships to come to the United States' ports for produce. This is commonly known as the cash-and-carry clause.

We of the Affirmative believe this Neutrality Act is good as far as it goes, but if we are to hope that this nation will remain clear of foreign entanglements, we must seek that goal by eliminating the thing which has made for war in the past. This undeniably has been economic relations and trading between countries. Taking a quick glance at the World War, we find that it was trading with belligerent countries that aroused Germany's wrath, and finally caused America's declaration of war. Had this economic intercourse been removed America might have stayed out of the war.

With the firm belief that one way to prevent war is to remove conditions that have a tendency to cause war, we are advocating the removal of the factor which has made for war in the past and which will make for war in years to come. For that reason we turn to our objective: if we eliminate the factors in the Neutrality Act which might make for war, we would be accomplishing our goal. Therefore, we are advocating the retention of the Neutrality Act, which has proved valuable in keeping us out of war, with two eliminations which will change this already efficient Neutrality Act

to a more efficient policy of isolation. The first change is the elimination of the cash-and-carry clause. This is already being taken care of, as recent legislation calls for this clause to go out of effect on May 1, 1939. Secondly, we propose the elimination of all trade between the United States and warring nations. With these changes in the Neutrality Act we are lessening the chances for war, which is certainly a step in the right direction.

We are not merely grasping hastily at some course of action which we believe the United States should follow in dealing with warring nations. Because there are only four possible roads for the United States to follow in this regard, let us briefly examine each and find why isolation alone can bring the sought for peace for this nation. The first road embodies the policy of letting American ships go anywhere. The American vessels under such a system can sell anything to warring and peaceful nations alike. The weakness of such a plan need hardly be pointed out. Reviewing occurrences in 1914 we see the necessity for having more definite restrictions on trade.

Second, we might refuse to sell to the aggressor nation in the hope of crippling that nation, and ending war in that manner. But we hardly need stop to discuss such a plan. The immediate result would be the bombing of American ships by the excluded aggressor and the end, war. Third, this Nation could follow a plan of neutrality such as exists in the United States today. As stated before, however, the major weakness of the present policy is the economic relations that are

maintained with warring countries. Since trade is a direct cause of war, we must exclude mere neutrality as a possibility for maintaining peace.

Now we come to the policy of isolation, whose fundamental aspects would be the elimination of trade with warring nations and the elimination of the cash-and-carry provision—factors which are directly responsible for war. It is a plan whereby all nations would be treated alike: no favoritism would be shown to aggressor nations. The plan is formulated with one main objective in view, that of peace. We are eliminating the factors which have caused this nation to enter wars in the past. Again we say we are not seeking a Utopia for the world. But who would hesitate to take a step in the direction of peace when such a goal is in sight? The plan of isolation which leads us to the desired goal is simple to carry out. The machinery is already in existence. We see, therefore, that the plan we are offering is in no way radical. Furthermore, the very fundamental principle of this plan of isolation (that of neutrality) has been tried and found to be acceptable by the people of the American nation.

What the Affirmative is proposing this afternoon is neither illogical nor impractical. It can easily be seen that of the four possible courses of action open to the United States in dealing with warring nations, freedom of the seas, refusing to trade with the aggressor nation, and the neutrality plan as it stands today are not the answer to the crying need of peace. We can see that since the main cause of war in the past has been trading with warring nations, it is logical to believe that

this same cause will arise in the future if action to prevent it is not taken. We are eliminating causes of war in our isolation policy by eliminating from our present Neutrality Act the cash-and-carry clause, and by eliminating all trade relations with warring nations.

It is only logical, then, that we point to isolation as a step in the right direction to keep this Nation out of war in the years to come.

First Negative, Janette Moses
Whitman College

FRIENDS: We of the Negative are just as anxious as our Affirmative friends for peace, but we feel that the plan which they are proposing will not keep us out of war because, in the first place, their plan does not do away with the factors which might involve us in war, and it certainly does not even attempt to get at any of the factors which are the fundamental causes of wars. We all realize how much more advanced the world would be if there were no wars, but we fail to see how the Affirmative plan of isolating ourselves from the rest of the world can possibly keep the United States from becoming involved. We feel that by so doing it would in reality cause so much dissension and strife that the very foundations of our own democracy would be in danger.

We feel that this isolation policy proposed by the Affirmative could not accomplish the many things claimed for it, because it leaves absolutely unsolved the factors which incite the American people as a whole

to war. We admit that trading with nations at war has had something to do with our entering wars in the past. Certainly the *Lusitania* caused a spark—but what kind of spark? The spark of propaganda, for the *Lusitania* was sunk two years before we declared war, and in that two years the propaganda forces in this country were at work. By 1917 the people forgot that the *Lusitania* was an English ship, forgot that by shipping gold to England we were overstepping our proclaimed neutrality—and in 1917 war was declared by Congress. That war could never have been declared without the approval of the American people as a whole.

As in the plan the Affirmative proposes, our ships would still be on the high seas, trading with neutral nations. How can we expect anything to happen other than what happened before the World War? Propaganda forces would be once more set alive. Can't you fairly hear propagandists shouting about the "Yellow Peril"; aren't we already hearing the slogan "Stop Hitler's Imperialism"? Influential American citizens with foreign interests abroad would be most unwilling to stand by watching their valuable investments left unguarded even though our Affirmative friends will tell us that it would be better to lose twelve billion dollars of investments rather than fifty billion dollars in a war. That may be true—remember, we are just as anxious for peace as they are. Nevertheless, facts must be faced, and if we absolutely withdraw protection from American interests, strong propaganda forces would help to kindle bitter feeling. Our opponents may tell us that they will include in their definition of isolation

the prohibition of war loans, but munitions manufacturers make money by selling those same munitions, and they would also become willing propagandists.

How could this policy eliminate fear and distrust? These subtle forces would incite the American people to want war, so that the strongest isolation policy in the world could not stand against it. And as we shall continue to demonstrate, the isolation policy is anything but strong, since it fails to eliminate any of the causes by which the United States has entered wars in the past, or any wars in which the United States might become involved in the future.

Secondly, the plan is not feasible in this twentieth century. In Washington's day, the United States was an experiment in democracy. The vital question was not our duty to the rest of the world, but whether the rest of the world would let us live. The policy of wisdom was to keep aloof from world politics and give as little cause for offense as possible to the powers of Europe. Washington pointed out that "our detached and distant situation" made such a course possible. Our policy of isolation corresponded with the situation as it existed one hundred years ago, but not with the situation as it exists today, and as it has existed for some years past. We no longer occupy a "detached and distant situation," for the radio, the airplane, the wireless, have made the world small, and individual nations very close. We are today dependent upon foreign nations for our very livelihood.

James D. Mooney of the General Motors Export

Company in the July, 1937 *Annals of the American Academy* has said:

In a productive sense, no nation is ever self-contained. I refer not only to products like tea, coffee, and silk, which, by reducing our standards of living we could probably do without. I refer also to critical materials such as tin, rubber, and nickel which at all times are vitally necessary. I refer, furthermore, to those materials which may seem of minor importance in themselves, such as manganese and antimony, but without which many of our major industries could not function. A supply of these materials must be maintained by a modern industrial people as a matter of sheer self-preservation.

Also, the *Nation* for May 27, 1925, page 599, states that "the value of American imports rose from \$1,813,000,000 in 1913 to \$3,450,000,000 in 1924 while the value of exports rose from \$2,466,000,000 in 1913 to \$4,311,000,000 in 1924." Not only would business conditions and standards of living be seriously impaired through loss of imports, but a serious situation would arise from loss of the American export trade. C. K. Keith in the Political Control of Mineral Resources, *Foreign Affairs* for July, 1925, pages 541 to 555, states that of the world's total supply of basic necessities, the United States produces: iron and steel, 40%; lead, 40%; silver, 40%; zinc, 50%; corn, 75%. The future prosperity of this country is dependent upon heavy exportation of our surplus goods.

Our opponents have told us of the Neutrality Act. This act was written and placed on the statute books in 1935. It is now 1938, and still the Act has not been

put into effect—yet states of war exist in two major countries, involving many nations. Why has the Act not been applied to Japan, for instance? All the moral feeling in the United States is for China to win, but if it were applied, according to eminent authorities, China, the weak nation, would be the one most harmed. Isolation, a more radical policy than neutrality, would create a much worse situation.

Not only would an isolation policy create dangerous problems, but we find that even partial isolation has not worked in other countries. In the *Annals of the American Academy* for July, 1937, quoting the *Manchester Guardian Commercial* there is this statement concerning the Irish Free State: "The cost has been very considerable, both in the rising burden of national and municipal debt, in the increased cost of living, and in the high level of taxation due to the inflated budget." And again, concerning Germany: "The pursuit of this self-sufficiency is costing the German people dear. The cost of living steadily rises, but the average hourly wages have fallen 10%," and these are examples of only partial isolation!

The report of the Commission of Inquiry into the National Policy in International Economic Relations, headed by Robert M. Hutchins, says: "In order to advance the recovery of the world, the United States must promote the interchange of goods and services among nations. The American Government must labor to maintain peace. It should do everything in its power to remove impediments to world trade. It should by action as rapid and dramatic as possible endeavor to

reverse the trend toward economic isolation. Otherwise, it must be prepared to accept a drastic dislocation and reorganization of industry and agriculture, of capital and labor." The policy of isolation would tear down and not build up the interdependence of nations, which the world has taken years to establish. Our Affirmative friends are "cutting their own throats" by proposing a plan which cannot, by its very nature, keep us out of immediate wars, and which would, by its adoption, retard world progress.

Second Affirmative, Anne Montgomery
State College of Washington

LADIES AND GENTLEMEN: May I substantiate the viewpoint that the United States should adopt a policy of isolation toward all nations involved in international or civil conflict. Both we of the Affirmative and the ladies of the opposition are agreed that war is undesirable; however, the opposition is reluctant to agree that the present system is inadequate and that a policy of isolation is the logical step to pursue.

In recapitulation, we note that Miss Schmitz has shown the inadequacies of the present Neutrality Act. Furthermore, she analyzed the possible trends to pursue and pointed to isolation as the best and most logical. We would be overlooking a basic factor if we neglected to remind you of the benefits of such a policy. Countries like individuals are inherently egotistical; for example, we are more interested in the welfare of our United States than any other nation in the world.

What we believe will bring the most benefits to the United States is the thing which we shall most strongly advocate. Miss Schmitz and I are convinced that a policy of isolation is the policy which is most beneficial, because it will tend to keep the United States out of war. Now in order to show why we uphold this belief, we must first consider some of the ways which involved us in war. I need not remind you that the causes of wars are many and varied, but any country is likely to become involved if it maintains economic activity with a belligerent nation.

The present Neutrality Act prevents the sale of arms and munitions to countries termed "belligerent." This cares for part of the problem, but it fails to consider the exemplified fact that when we get into trouble because we sell one thing to belligerents, we likewise will get into trouble when we sell something else. The amount or the particular goods which we sell to a belligerent nation may be a factor in causing that nation to win a war. Certainly our Negative friends will not contest the point that such business activity will antagonize the less fortunate countries. The Negative may insist that such an incident is highly improbable, but they can not deny the practicality of the fact that we export certain materials which strengthen a warring nation and that a lack of these same materials would make that warring nation extremely weak. When nations are warring and we are shipping goods to one or all of them, we have no idea of what shipment is going to so antagonize some country that that country resolves her forces against us. It is easy for the ladies

to say that trade makes us economically superior, but it is not so easy for them to explain the value of maintaining trade at the price of war. Allen W. Dulles of the United States Diplomatic Staff has said in an article published in the *Annals of the American Academy of Political and Social Science*, "We are told that the desire to protect war profits and loans had an important influence in the decision to bring us into war. If we accept this, it is only a step to the conclusion that if there are no war profits, no trade with belligerents, and no loans; it will be easy to keep the peace." Just as Mr. Dulles suggests in regard to warring nations, we should subordinate the value of profits and discontinue our trade with these warring nations if we are to maintain peace in our United States. The Negative has been concerned about losing our trade. Suppose we did diminish our trade for a short time! As Stuart Chase has pointed out in his most recent book, *The New Western Front*, we are becoming more and more self-sufficient by developing a variety of synthetic products; and a continuance of emphasis on self-sufficiency may be the saner economic policy to pursue.

The ladies insist that isolation is not "feasible in this twentieth century," that it would have been more pertinent in George Washington's day. They forget that at that time our resources were undeveloped. We could scarcely visualize self-sufficiency on a nation-wide basis. Today our resources are developed. We are not so dependent upon any one country that we could not shut off trade negotiations with that country if she were at war. In nine cases out of ten such a discontinuance

would inhibit the foreign nation in her war program. Furthermore, the Negative disregards the very important fact that such trade discontinuance would be with only one or two countries and would last a relatively short time. In our total imports and exports the difference would scarcely be discernible.

Having considered the greatest single factor in any war, namely, the economic aspect, let us now turn to some of the causes of war as set down by the Negative. Propaganda heads their list, and it merits some attention. We should not desire to remove our privilege of free speech and press, and until some method of censoring is inaugurated, propaganda cannot be eliminated. However, a policy of isolation certainly would curb war propaganda. Removing the economic incentive to become involved in a war by having in effect this isolation policy would likewise remove much of the incentive for spreading propaganda.

As to foreign interests, we have already set the precedent of letting private investors and American citizens in foreign lands fight their own battles. We would think it absurd if an American missionary to China wrote to Washington, D. C. to get financial aid to continue his project; if an American corporation, located in Russia, wrote to the President to send the National Guard to suppress a strike in his plant! Why should the United States Government spend money and men to protect similar interests in time of war? The precedent has been set; no longer does the government retain the gallant ambition to forward such protection.

Fear, as a basic emotion, cannot be eliminated; but

actually how afraid is the United States of any nation? Geographically we are protected, we have an abundance of resources, and in the past we have fought winning wars. We Americans are an egotistical lot, and it just is not logical that we would engage in a war because we were afraid. Having considered the causes of war as advanced by the Negative, we see that these really are subordinate reasons for engaging in war; but even these are made less potent by a policy of isolation.

After determining how a policy of isolation would tend to prevent the United States' engaging in war, let us consider what a policy of isolation might accomplish in promoting world peace. We talk about being promoters of world peace, but we never really take any steps that might have a tangible effect. At times situations become so intense that no policy could reign supreme, but by shutting off the supply of needed raw materials, we could likely make several of the leading nations "talk turkey." A policy of isolation would of necessity cripple the aggressor nation. Cutting off the source of certain supplies furnishes a barrier to any nation that is attempting to take the lead in a war. The United States is a potent factor in aggressive warfare, for we furnish needed raw materials to so many countries. Quoting from the *Annals of the American Academy of Social and Political Science* for July, 1936,

The United States has possibly the greatest—certainly the most readily available reservoir of war materials. We have approximately 50 per cent of the world supply of copper, steel, petroleum, and cotton, and no real shortage in any of the essential food supplies. The threatened closing of

American markets if we are neutral is a challenge to every other country in the world.

Suppose we exemplify this comment in the light of some of our recent struggles—the Italian-Ethiopian conquest. Italy's aggressive ability would have been seriously impaired had we refused to supply her with materials. Ethiopia, on the other hand, would not have been handicapped, for her weapons for war were Ethiopian stamina and good clubs. In the Sino-Japanese war, the Japanese, again the aggressor nation, would have been much more retarded by the removal of our trade than would China have been. Had the German-Czechoslovakian disagreement materialized into a war, and had we had in effect a policy of isolation, Germany as the aggressor nation would have been held back even though our trade with her is not as extensive as our trade with some of the other European powers. Czechoslovakia, as the weaker nation, would not have been particularly effected by the isolation. Many other such examples might be reviewed as to the possibilities of an isolation policy for crippling the aggressor nation and thus shortening the duration of a war.

This plan of isolation is not just a high-sounding theory. It is a practical, workable plan. The machinery is already in operation in the form of our present Neutrality Act. Miss Moses complains because the present Neutrality Act has not been put into operation. We feel that this difficulty can easily be remedied in the proposed plan by stipulating that the isolation policy will automatically go into effect against any country involved in international or civil conflict. As my col-

league has outlined, only two changes would be necessary in this act as it operates today. When these two changes prove to be the most logical procedure to pursue, in order to bring you and me, our United States, and the world at large very tangible benefits; Miss Schmitz and I stand resolved that the United States should adopt a policy of isolation.

Second Negative, Ruth Van Patten
Whitman College

FRIENDS: We are discussing a plan today intended to prevent our future participation in war. Although we of the Negative, together with our Affirmative friends, realize the failure of the Neutrality Act and the consequent need of a solution to our troubles, we are here to point out certain fallacies in the Affirmative proposal which make it impossible for us to accept that proposal.

Granted that the Neutrality Act is unsuccessful, we may logically ask why. And the answer is that the Neutrality Act is unenforceable. Since it first entered the statute books in 1935, we have seen major conflicts in Spain, China, and Ethiopia, as well as German invasion of certain European countries, and any number of scrimmages in South America. Not once was the Neutrality Act invoked. In regard to the Japanese-Chinese conflict, T. A. Bisson writing for the *Foreign Policy Reports* of September 1, 1938, stated:

Japan's total purchase from the United States amounted to \$288,000,000 in 1937. . . . It would be difficult, if not

impossible, for Japan to purchase elsewhere the machinery, machine tools, automobiles, high grade steels, and certain fuels and lubricating oils which are available in the American market. In view of this special dependence on American war materials, Japan is peculiarly vulnerable to restrictive action undertaken either by the people or the government of the United States. . . . Only one measure can alter the outlook for an indefinite prolongation of hostilities, continued wholesale devastation in China, and the growing risk that other powers may be drawn into the conflict. This is the refusal of Western nations, particularly the United States, to continue furnishing war supplies to Japan.

And this situation exists in spite of a Neutrality Act which prohibits the shipment of any war materials to belligerents, as well as it prohibits our shipping other supplies such as food except at the President's discretion. What hope does the Affirmative give us that isolation, as they have defined it, would be any more enforceable than the present Neutrality Act? And if the suggestion is no better than our present policy, to adopt isolation would be fruitless.

Our next step must be to examine the two improvements offered by the opposition to correct the Neutrality Act, namely, to eliminate the cash-and-carry clause and to eliminate all trade with belligerents. Presumably, this will remove the danger of our ships being attacked. Yet the fact remains that we *would* be trading with neutral nations (assuming for the moment, the enforcement of the policy). In such case, as Miss Schmitz pointed out in her speech when she described the second possible path for us to pursue: "We might refuse to sell to the aggressor in the hope of crippling

that nation, and ending war in that manner. But we hardly need stop to discuss such a plan. The immediate result would be the bombing of American ships by the excluded aggressor and the end, war." If we should isolate ourselves from only belligerent nations, these nations would undoubtedly attack our ships and seize those supplies which we did not willingly let them have, particularly if they realize that we are not going to protect ourselves.

During the last war, Germany sunk American ships which were trading with neutrals; ships that were travelling through war zones which many times completely engulfed neutral nations. This happened despite the fact that we prohibited our merchant marine ships from carrying arms, in an attempt to insure our neutrality. As long as we have ships upon the sea this danger will remain.

The second great mistake in these provisions is that not only are we cutting off supplies from foreign nations, we are also cutting off our own supplies. Assume for a moment that such a plan had been in force during the last World War previous to our entrance. (And it is not at all unlikely that we shall have another World War in the near future.) At that time we would not have been able to import from nineteen world powers. Considering that 95 per cent of the world's rubber supply alone is secured from the Malay Peninsula and the East Indian Islands, 70 per cent controlled by Great Britain and the rest chiefly by France, we wonder what would have happened to our industries. What would happen to them today? We use \$185,000,-

000 worth of rubber a year, more than twice as much as all the rest of the world, and yet we own no rubber plantations; we are entirely dependent upon other nations for our supply. Not that rubber is the only essential commodity for our industries which we do not supply, but rubber is particularly important because of its use in all our manufacturing. Millions of Americans are employed in our automobile factories as well as in other types of work dependent upon a rubber supply. There is no practical substitute for rubber yet available. It is logical to conclude that this lack of essential commodities would be a force driving us toward rather than away from war. Our financiers who manage not only our industries but also our propaganda forces, would see that an isolation act, just as our present Neutrality Act, would not be invoked.

It is with the "have not" nations that we are always having trouble. Why then should we try to make a "have not" out of the United States, and at the same time make it less possible for the nations who "have not" to become satisfied? By breaking down the barriers to trade we can eventually bring peace.

In addition to the fact that this isolation proposal does not seem to be effective in bringing peace, is the possibility that it rather encourages war. As Felix Morley, formerly of the staff of the Brookings Institute states in the *Annals of the American Academy* for July, 1937: "When we serve notice that we will draw no distinction between aggressor nation and the victim of its aggression, we automatically favor the potential aggressor. We encourage him to proceed with a line of ac-

tion he would not dare to follow if our position were not so defined." We would be giving Germany and fascism an invitation to further spread propaganda over South America, even permitting the seizing of South American republics by Germany. She has already attacked these nations through propaganda, and if we should withdraw our protectorate, undoubtedly South America would soon lose her independence. We must remember that, as the *Encyclopedia of Social Sciences* points out, our participation in the Spanish-American and the World Wars announced to the world our renunciation of the Monroe Doctrine.

In the past we have been able many times to prevent war peaceably because other nation respected our word and our power. Are we to discard this tool of peace? One famous example of its effectiveness was the forcing of Japan's renunciation of her twenty-one demands upon China during the World War, demands which would have put China under Japan's power politically and economically. After the official disapproval of the United States was expressed in Tokyo, Japan withdrew her demands. We have a number of other instances in which European nations have been influenced not to proceed with imperialistic policies in South America by our ability to say that we would protect those victims of aggression. By destroying this one more influence to peace, we are only making aggression easier.

Thus in order to insure peace for the United States, the Affirmative asks us to build upon the Neutrality Act which has already proved to be a failure. We have here a plan which neither touches the basic causes of war,

nor eliminates those dangers brought about by our trade relationships. We have a proposal unfeasible and unenforceable. We have a plan which would cause economic revolution were it possible to enforce it. Do we want such a "preventative" of war?

Viewing the situation in an intelligent manner, we are driven to refuse the Affirmative proposal of isolation from all nations involved in international or civil conflict.

First Negative Rebuttal, Janette Moses
Whitman College

FRIENDS: You have heard the arguments as to whether or not the United States should isolate itself from the rest of the world during war in an effort to maintain strict neutrality. Our opponents have said that this would be an easy and practical plan, for, by enlarging the present Neutrality Act, we could accomplish this isolation. However, not only would such a plan be unfeasible, but isolation itself is an essentially weak policy as both my colleague and I have pointed out. It is weak, first, in that it could not, by its very nature, keep us out of war for it does not remedy the causes for which the United States has entered wars in the past.

First of all, our ships would still be on the high seas, trading with neutral nations; secondly, the American people have, in almost every war fought by the United States, been drawn into that war by noble ideals or by fear. We have shown you that an isolation policy would not eliminate these factors, but would succeed

only in inciting more noble ideas and more fear because of pressure brought about by propagandists and selfish interests. We have shown you that isolation is a dangerous policy because of the upset in the American standard of living which it would bring about; we have pointed out that it would result in internal disorder for no good reason, since we have demonstrated that we would probably be drawn into a war ultimately. Not only is isolation weak from these viewpoints, but it is weak in that partial isolation has not worked in other countries.

Now, our opponents tell us that they will isolate the United States (in spite of these factors) by broadening the present Neutrality Act. May we remind our opponents that stringent neutrality laws were in effect during the World War, but that in 1918 the United States declared war. And we may ask these questions: Why has the present Neutrality Act not been put into effect, and also, would one man have the power to declare it effective under any new plan which might be proposed? We of the Negative have shown you that the main reason for the failure to invoke the present Neutrality Act in the case of Japan and China has been the fact that under such a plan China—the weak nation—would be most harmed. If isolation were to be made effective, the United States would be denying the principles for which she has always stood. By adopting such a policy we would be harming ourselves and aiding belligerent nations.

Therefore, we of the Negative again repeat that an

isolation policy should not be adopted by the United States.

First Affirmative Rebuttal, Elna Schmitz
State College of Washington

FRIENDS: Repeatedly, during the course of the debate the Negative has discussed the dangers of "isolating the United States from the rest of the world." We of the Affirmative would not consider such a policy. As we stated in our opening analysis, we are advocating the isolation of the warring countries from the United States and not the isolation of the United States from the entire world—which the Negative has deplored three times during this debate.

In addition, Miss Van Patten has spent two or three minutes of her second constructive speech worrying about the fact that if we had had a policy of isolation during the World War, we would not have been able to import any rubber from the East Indies. Let us assure her that at both the time of the War and today the East Indies are owned by Holland, a neutral nation during the War, so that we could not have suffered any grave injury twenty-two years ago if the policy we advocate had been placed in operation. Furthermore, at least half of the remaining part of Miss Van Patten's speech was spent in worrying about the dictator nations taking over South America. Let us once more assure her that we have not advocated as a part of our policy the elimination of the Monroe Doctrine which states specifically that we will consider European aggression in South America a hostile act toward the United States.

Now to briefly review the discussion presented so far, we note that out of four possible courses of action which are open to the United States in dealing with nations at war, the Affirmative and Negative are agreed that three—freedom of the seas, crippling of the aggressor, and mere neutrality—are undesirable. Upon the fourth possibility, isolation, which we of the Affirmative are proposing, the argument rests.

Let us consider the main objections which our opponents have advanced. One of the primary contentions is that the Neutrality Act since it was adopted has not been invoked, and for this reason our friends conclude that a strengthened neutrality plan is unenforceable. There is an important side of the picture which is being overlooked. What evidence have we that there has been any definite attempt made actually to invoke the Neutrality Act? Has not the Act already produced the desired effects without needing actually to be invoked? Can our opponents deny that during the existence of the Neutrality Act this nation has been kept free of any major entanglement with the nations our friends have suggested—Spain, China, Ethiopia, and Germany,—although technically, they say the act has not been “invoked”? It might be added that the very fact this Neutrality Act is on the statute books has undoubtedly been a factor toward keeping us out of conflicts with foreign nations.

Our opponents, further attacking enforceability, suggest that even under isolation American ships will be on the seas trading with neutral nations, and may be bombed by ships of belligerent nations. The argument

is inconsistent; cases in history are rare where a warring nation attacks ships of neutral nations which are trading with one another. It is only when a neutral nation trades with one warring nation and excludes another that trouble arises. Under isolation such a situation would be eliminated. We see, therefore, contrary to the Negative's suggestion, that isolation could be effectively enforced.

The second objection advanced by the Negative was that internal disorder would result from isolation, that the elimination of trade would be disastrous. The fact has been overlooked that 90 per cent of all American trade is domestic; only 10 per cent is foreign. Allen Dulles, world economist, suggests that a $2\frac{1}{2}$ per cent increase in domestic markets would substantially make up for any loss in foreign trade. However, any great loss in foreign trade is doubtful, for a shifting of markets would be entirely possible. The argument, therefore, that isolation from warring countries would cause economic ruin in the United States is fallacious.

Miss Moses tells us that if the Neutrality Act were invoked in the case of Japan and China, the weaker nation of China would be the more harmed. Again our Negative friends are being inconsistent, for Miss Van Patten in the very beginning of her constructive argument pointed out that Japan's total purchases from the United States amounted to \$288,000,000 in 1937—and that it would be almost impossible for that nation to get numerous materials from countries other than the United States. In that statement they are admitting

that such a policy as we propose would have crippled Japan very seriously.

Finally, we point to the many benefits of isolation: the plan is fair in that it treats both the aggressor and weak nation alike; there is no favoritism. It removes the cause for war, which in the past consistently has been economic relations between nations. It is enforceable because the machinery is already in existence; the necessary improvements in the Neutrality Act will make for added ease in enforcement.

For these reasons Miss Montgomery and I contend that a policy of isolation toward all warring nations should be adopted.

**Second Negative Rebuttal, Ruth Van Patten
Whitman College**

FRIENDS: As the last Negative speaker this afternoon, it is up to me to summarize the debate this far. Our Affirmative friends have presented to us a plan of isolation, based upon a proposal already shown to be ineffective. They offer two improvements, improvements which make no provision for remedying the one great weakness of the present Neutrality Act, its unenforceability.

Miss Moses has given you evidence to indicate why neither our present policy nor the proposed one can keep us out of war. This evidence shows that the basic, economic causes of war are not touched, and that the trade factor itself is not removed as a cause. As long as our ships are at sea trading with neutral nations,

trade will remain a possible cause of war. Too, we must not forget that only by world peace may we be assured of permanent peace.

We have given you evidence that seems to indicate that even partial isolation is unfeasible in this day of world interdependence. Our industries and consequently our employment and our standard of living are geared upon the probability of continual importation of needed materials and the exportation of the finished products. To attempt to change or to shift this semi-permanent system of exchange would cause a commercial revolution, justified only by the accompanying assurance of peace. And yet, as we have demonstrated, such a proposal cannot insure peace. Not only will it not insure peace, but actually it will encourage war, by diminishing the weight of our pacifistic influence in a war-inclined world, and by giving our consent to the devastation of belligerent nations.

Today we are faced with a grave crisis in our national life. With war threatening the entire world, we must deliberate carefully upon our choice; we must choose that path which will be most likely to maintain peace and prosperity for our Nation. Should we adopt a policy which does nothing to abolish those causes for our entry into international conflict, a plan which will only bring about economic revolution and which will encourage aggressive policies to drive us nearer to war? The only logical reasonable conclusion that we can draw this afternoon is to refuse to accept the Affirmative proposal of isolation.

Second Affirmative Rebuttal, Anne Montgomery
State College of Washington

FRIENDS: Miss Van Patten has *opened* her *closing* refutation by commenting that the policy of isolation is based upon a "proposal already proved ineffective." In the Negative's comparison of this proposal with the plans of Ireland and Germany, they have become confused. They are terming plans of self-sufficiency identical to plans of partial isolation. These two by no means are comparable. A policy of isolation need not even involve a plan of self-sufficiency. As we have indicated, there is no plan in operation today comparable to the proposed plan nor has there ever been. The only plan in history that even approximates this proposal was the Embargo of 1806; so that this proposal has not quite had the chance to be proved ineffective.

Trade with neutrals will encourage war say the opposition. Indeed, by this statement they have admitted our major contention—that we do get involved in conflicts by carrying on trade. We have proposed that we lessen these chances of getting into war by eliminating our trade with those nations actively engaged in civil or international conflict. If the ladies are proposing to eliminate all trade to insure peace then they are admitting everything for which we stand, and, in addition, are advocating the elimination of trade with neutral nations!

The ladies have failed consistently to see our interpretation of the trading situation. In their closing speech, they have referred to the possible economic

revolution, a harming of industry, and a lowering of the standard of living. They ignore the statements of Mr. Dulles, which show that it is the foreign nations that are dependent upon our products—not we dependent upon them. Furthermore, they forget that we are not cutting off trade with all the countries; neither are we cutting off trade with any one country for a long period of time. The sacrifice we make will not be large. We need not fear a lowering of our standard of living or an economic revolution as a result. In return for our efforts, however, we lessen our chances of becoming involved in war and are exercising our influence to prevent other nations from warring. Such a policy will not diminish our pacifistic influence but enhance it. We shall be discouraging war in other countries by pledging ourselves to a platform of peace, and by discontinuing economic relations until the warring country has resumed a peaceful attitude.

If the ladies are worrying primarily about the lack of enforcement of the Neutrality Act, we remind them of the possibility of having an “automatic stipulation” inserted to insure the law’s going into effect immediately after a nation has engaged in international or civil conflict.

The Negative would prefer that we trade indiscriminately, that we take no step to keep our Nation from becoming involved in war, that our Nation do nothing to inhibit warfare in other countries, that we sit humbly by and watch events take their course! We of the Affirmative insist that we should adopt the plan of isolation, the most logical of the four possible courses of

action, the plan which would partly eliminate the causes of war, the plan which would strengthen the present Neutrality Act, the plan which would tend to cripple the aggressor nation and shorten the duration of the war, the plan which would make for peace in the United States and in the world at large!

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ALLIANCE OF THE DEMOCRACIES
OF THE WORLD

*Debate from the Southern Association
Tournament*

LOUISIANA STATE UNIVERSITY AFFIRMATIVE *vs.*
UNIVERSITY OF FLORIDA NEGATIVE

The Southern Association of Teachers of Speech has for the past nine years sponsored a tournament which includes debate, oratory, extemporaneous speaking, and after-dinner speaking. This tournament is held during the two and a half days just preceding the annual Southern Association of Teachers of Speech professional convention. For the past two years a student Congress of Human Relations has been successfully conducted while the professional convention is in session. The theme of the Congress this year was "The South as the Nation's Number One Economic Problem."

For the past three years the policy has been to use as the proposition for debate a subject not being used by any other league or organization. The question chosen for 1939 was: Resolved, that the democratic nations of the world should form an alliance to preserve democracy.

The following debate was recorded in the Speech Department of Louisiana State University, the tournament and convention having met in Baton Rouge with Louisiana State University as host. Dr. Dallas Dickey, Director of Debate at Louisiana State University, supervised the work of taking the speeches off the records. The speeches have been only slightly revised. As they appear here, they were collected and submitted to *Intercollegiate Debates* by Professor A. A. Hopkins, Director of Debate at the University of Florida.

ALLIANCE OF THE DEMOCRACIES OF THE WORLD

First Affirmative, James Wilkinson
Louisiana State University

LADIES AND GENTLEMEN: Allow me first this evening to welcome the gentlemen from Florida, Mr. Tench and Mr. Simon, with whom we are to debate, and to express the pleasure of Mr. Long and myself in meeting them in this verbal contest.

We have a problem before us, a resolution for the joining of the democratic nations together into an alliance to preserve democracy. And we want it understood before we get well into this discussion that what we propose is not something temporary and only to meet the present conditions in the world. Rather, it is a permanent institution to preserve democracy on into the long years to come. Now we are not going to take up the needless task of proving how good democracy is. We shall work from here on the assumption that democracy is worth preserving, and such being the case we should do our utmost to keep it where it is existing, and to maintain it forever.

What are the issues in this debate? As we see it: (1) Is there a danger existent to democracy now which will continue to be so in the future? and (2) does this alliance which we propose offer a way by which to meet such dangers? Mr. Long and I answer "yes" to both of

these questions: on the one hand because of the constant inside danger to democracy and on the other hand because of the contemporary and future outside threats.

Such a philosophy of government as we and some others possess is always exposed to being eaten away at its roots within the very nation where it exists. For instances of this, we should like to point out that the Bill of Rights of our Republic guarantees insidious forces the right to undermine our government; and to establish fascist bunds here in America—foreign supported organizations controlled by such outspoken radicals as Fritz Kuhn, the head of the fascist party in the East, or ex-convict “Silver Shirt” Pelley whose influence spreads from North Carolina to the West coast.

We should like to point to the powerful communist and socialist parties in our own country as well as to the dangerously strong communist group in France and the fascist group in Belgium; we should like to point to the spread of propaganda throughout the democracies by the fascist governments, to the use of radio stations by both Germany and Italy for the express purpose of undermining the strength of the democracy which exists in the South American republics and in our own country—all in all, a subversive campaign for the spreading of those perverted theories of rule exemplified in the dictatorships of Benito Mussolini and Adolf Hitler.

Now, of course, you ask: if this danger is constant, why must we act now? Other ideologies have competed with us in the past and this alliance was not needed—why the present demand? Why? Because there is always the first time. After a certain point we can absorb

no more poison without harmful effects, and those effects are already taking place. More and more of late we find republics notably missing from our ranks. Germany is gone, Spain is gone, Austria is gone, Czechoslovakia is gone, and several South American countries have repudiated freedom and justice.

In Czechoslovakia and Austria we find actual military acquisition. In Spain a revolution broke out with active military, financial, and directorial backing by the major fascists—Germany and Italy. In the Republic of Germany itself a different form of attack was utilized. This government was seized within itself by an enemy in its ranks. This is just what we want to stop in the remaining democracies—this rotting of democratic foundations before the crash. And here lies a great danger at the moment.

With threat of war hanging over Europe, nations are at a crisis. There is an hysterical feeling that a more complete, quick-acting government is needed to meet an emergency. We find that in France Premier Daladier only recently has been given dictatorial powers over that nation to act in its behalf during this upheaval of world affairs. Threat of conscription looms up for England. We here in America can disdain dictatorship since we are so far away and safe. But over in Europe the people in despair feel that a dictator is necessary to self-preservation.

In addition to this inside danger, the democracies have the direct threat of conquest which necessarily follows the existence of conflicting philosophies of government. Fascists of central Europe behind Adolf Hitler

and Benito Mussolini have overtaken republics, are now overtaking more, and are pledged in the future to continue such work. Hitler has taken his own Germany, Austria, Czechoslovakia, and more Czechoslovakia. John Gunther, in his book, *Inside Europe*, predicted Hitler's course which, strange to say has been followed, and if it is continued—which we can expect—it will mean the seizing of Poland, the Baltic states of Lithuania, Estonia, and Latvia or perhaps Yugoslavia, Switzerland or Denmark. More democracies are among these!

Already Hitler has made moves against England and France by demanding colonies that Germany never possessed: Djibouti, Somaliland, Tunisia, and Morocco. The South American activities and organizations even here in North America certainly must mean something—especially since Senegal, one of the demanded colonies of Africa is much closer to undemocratic Brazil than we are in the United States. Of course, this does not prove that Hitler is on his way over here, but it does show that a great deal of planning is being done for something, and the most logical answer is expansion into South and Central Americas. Hitler has said: "The world will either be governed by the ideology of modern democracy or it will be ruled by the laws of force when the people of brutal determination will triumph." Mussolini, his ally, echoes this idea by saying that the struggle permits no compromise: "either they or we, either our idea or theirs, either their state or ours." You, ladies and gentlemen, can see how this policy has directed those nations. You can see how

treaties have been scrapped and rights disregarded, how these nations of Germany and Italy have continued to pursue an aggressive campaign in Europe against all laws of justice, and how this will go on as rights continue to give way before injustice.

Finally, we should like to emphasize the fact that one threat augments the other. A weak democracy is subject to and encouraging for invasion—and invasion morally weakens all democracies. How Mr. Long and I propose that we remedy both these faults is contained in the work of the alliance, the plan which we submit this evening: an alliance for fighting inside weaknesses of democracy by the fostering of better government in the republics, by the promotion of better legislation, economics, and social conditions, by the organized spreading of propaganda which will boast of how the world republics surpass the dictatorships in providing for the general welfare of the people, by the giving of mutual aid in times of economic or political stress within a nation. Mr. Long in further argument will deal with the aggressive enemy and the present international question.

**First Negative, Benmont Tench
University of Florida**

MR. CHAIRMAN, LADIES AND GENTLEMEN: In speaking for the University of Florida I should like first to express our appreciation to Mr. Long and Mr. Wilkinson and to the other members of the Louisiana State University student body, and the speech faculty for

the splendid reception accorded us. We appreciate their friendly attitude and their hospitality.

In concerning ourselves with this question of whether or not the democracies should form an alliance to preserve democracy, we must consider first what Mr. Wilkinson has said. He has intimated that there is a dual threat to democracy. First, an internal threat. He has said that we could meet this internal threat by forming an alliance to foster better democracy within the democratic countries. Now we feel that he must demonstrate that a threat actually exists. We feel that he must prove that there is a threat to these democracies—and one of such significance as would warrant action being taken. And we feel, in the second place, that he must show why an alliance is necessary and how it would foster better democracy within these countries. Is it necessary for Roosevelt, Daladier, and Chamberlain to get together and talk the matter over as to how to get better democracy in their respective countries? We do not deem it necessary to do so. If such a threat does exist, each country must handle the situation in its own way. Mr. Wilkinson must show how an alliance of democracies would cope with any internal threat he may contend does exist.

We of the Negative oppose such an alliance for two reasons, the first of which is: such an alliance would provoke war rather than prevent it. Now in order to appreciate this statement we must realize that the standard of living in the fascist countries is falling. We see in Germany over 60 per cent of the national income being spent for an armament program. We see indus-

trial employment falling four million between the years 1925 and 1935. We find statements such as this: "In terms of food the German populace as a whole has somewhat less to eat than it had during the period just before the Nazis came into power, i.e., the low point of the depression. The same is true of clothing." That statement is taken from Mr. Calvin B. Hoover's book *Dictators and Democracy*. Mr. Hoover is the General Secretary of the Foreign Policy Association and is a thoroughly qualified authority.

Looking at Italy we find an indication that their standard of living is falling, in that the lira has dropped thirty per cent in the last three years. We find a budget deficit of over three billion lire for the year ending June, 1936. Turning to Japan we find a half-billion yen budget deficit for the fiscal year ending March 31, 1939, and looking at the value of the yen on the international exchange we find a drop of almost fifty per cent.

All these facts are indicative of the idea that the general standard of living in the fascist countries is becoming lower. What effect does this have on the situation? We see that the people, realizing that their standard of living is lower, are continually crying out for a better standard of living, and thus are forcing the dictators forward. Now of course the dictators could stop their tremendous armament programs and consequently raise the standard of living to satisfy the people. But this they will not do; hence the people cry for more territories in the hope that more raw materials will come in and the standard of living will be raised. Consequently, the dictators must push ever forward,

pursuing a policy of imperialism, of territorial aggrandizement. The people force them forward. If the dictators were to stop they would lose political prestige in their own countries. This is not only our opinion but the opinion of many eminent authorities. Quoting from Walter Lippmann in his column on March 22, 1939, "If ever it should become clear that he (Hitler) had conclusively lost the race of armaments, not only his ambitions would be ruined but (Note this) his regime would be in material danger." In other words, if he ever backed down once, the people would realize that he is a hoax and refuse to support him further.

So the dictators must force on, keep forcing on, keep going forward, pursuing the policy of territorial aggrandizement and of imperialism. They constitute in this respect an irresistible force. These gentlemen of the opposition would have us oppose this irresistible force with an immovable object known as an alliance. Once we have formed such an alliance for stopping the dictators, we cannot back down just as they cannot back down—if they do they lose their prestige in their own countries. Consequently, the inevitable result of the meeting of this irresistible force and immovable object would be a war which, gentlemen, we oppose at any cost. For these reasons we feel that such an alliance would promote conflict rather than prevent it.

We feel, secondly, that such an alliance is unnecessary since, if left alone, the status quo will iron itself out. Let us see just exactly what the basis for that statement is. We find Germany continually moving to the east. If there is any one statement on the Ger-

man tongue more often than *Heil Hitler!* it is *Drang Nach Osten*—Drive to the East. Continually they shout, “We must have the Ukraine.” Over and over in his book, *Mein Kampf*, Hitler says, “We must have the Ukraine.” And so the drive is ever eastward, eastward into Austria, eastward into Sudetenland, eastward into Czechoslovakia, eastward into Memel, always eastward, eastward toward what? The Ukraine. And toward the great German enemy, Russia, toward communism the avowed foe of nazism.

Now, in the Far East what do we see? We see Japan continually pushing in, always toward the west, into outer Mongolia, toward the Russian protectorates, the provinces of Shensi and Shansi. We find that the Imperial Japanese High Command has said, “We must eventually have Shensi and Shansi.” And it is for that purpose that they are working. We find on the other hand the Russian High Command saying, “No country shall take Shensi and Shansi.” Thus conditions point to the inevitability of a war in the eastern part of the world between Russia and Japan.

Looking back to Germany we have seen that there is a war imminent between Germany and Russia. We find then that the threat of war lies between the dictators themselves, between fascism and communism, that the threat is to communism and not to democracy. Now then you say, but what about Italy? Many eminent political scientists maintain that Italy is of little concern, for what would she have to gain from a war in those quarters? What would she want with the Ukraine or what would she want with Manchuria? Italy is

out of the picture in this case because she would have nothing to gain from such a war.

So we see if we leave things alone and let developments go as they are, the fascist countries will consume themselves in a war with the great communist menace. Thus the great democracies of France, England, and the United States will be saved without moving a finger; all that is necessary to do is just to sit by and let the dictators consume themselves in this war which appears imminent. Now you may say that this is only a personal theory. But, gentlemen, let me remind you that we have shown how the actions of the German Nation have pointed to this course, how they have striven toward this goal. We have shown you how the actions of the Japanese have pointed toward this goal. To quote from an eminent authority on this question, we find Dr. Frederick L. Shuman, the vice-president of the University of Chicago and the head of the Department of Political Science in that institution, who says, "Germany and Japan are pursuing purposes requiring war against the Soviet Union"—not against democracy.

If left alone then, the democracies may sit still and let the dictatorships, particularly Germany and Japan, roll on toward Russia, and when they get there they will all be consumed in their own war. So, ladies and gentlemen, we condemn the plan of the Affirmative to form this alliance, first, because we feel this alliance would promote war rather than prevent it; and second, because we feel that an alliance of democracies is unnecessary since if left alone the forces now in operation

will exhaust themselves without substantial loss or harm to democracy.

Second Affirmative, Russell Long
Louisiana State University

MR. CHAIRMAN: First, let me add my word of welcome to the gentlemen of Florida. In beginning my speech, I want to go into the arguments produced by the last Negative speaker. He said that such an alliance as we are advocating is unnecessary, that there is absolutely no use in our setting up such an alliance as this, and that it is foolish and absurd because the death of fascism is going to come with the death of communism. He argued that fascism and communism will destroy each other, and therefore, the democratic world will be left to face the protectorates. In addition to this, the gentleman from Florida has made himself inconsistent in that he has said that an alliance such as we propose would provoke war. In turn I wish to ask him if fascism does not have aims against democracy.

If the fascists intend to take nothing from the democratic nations, none of the things they are demanding even today, why would an alliance among the democratic nations to preserve democracy and to preserve themselves cause a war between democracy and fascism? Perhaps the gentlemen from Florida think that democratic propaganda would cause war. But I would like to remind them that such propaganda would not be nearly so strong as those statements made by members of the President's Cabinet, such as Mr. Ickes' statement

recently, when he denounced the German form of government and the German policy. If such a thing as that cannot provoke war, certainly democratic propaganda among democratic nations would not go any further towards provoking war. Alliances between France and England, both democratic nations, have not provoked war with fascist powers. Therefore, according to the gentlemen's own argument they have proved themselves inconsistent. If they hold that there is a danger of war by such an alliance as this, then they cannot hold that the threat is not to democracy. On the other hand, if they are going to hold that the threat is to democracy, then they cannot hold that the danger of war is against communism. Consequently, we see that these arguments will not stand.

Now let me get into the case brought up by Mr. Wilkinson in the first speech. First of all, he showed you that the dangers faced by the democracies of the world today are inside threats and outside threats. He showed you how the two worked upon each other. He told you that I would explain how we would go about meeting this inside threat and this outside threat. We will meet this inside threat by defining what is right in democracy. The basic features of democracy that are good we will spread just as the fascist powers of today are preaching fascism. In this way we would make fascism stand its own ground just as democracy would be made to stand its own ground. We see that such a cause might be furthered, and by union of democracies there would be presented a common front. In other words, democracies would not need to worry about a rebuke

from Hitler or from Mussolini or from any other fascist power. Any statesman from one of the democratic powers might stand up and say how good democracy is and how bad fascism is because he would know that the democracies of the world are standing together. He would know that they will stand together behind their own propaganda just as the United States recently stood behind its own cabinet member who defied fascism.

Once again the democracies might work together in that they would promote better practices of democracy. Under our plan democracies would be organized under more aggressive principles. They would sponsor and promote more enlightened ideas and, therefore, help other nations intelligently to reform themselves to have the kind of democracy that need never fail because the people were not able to see how much good it was doing for their nation.

As to the argument of the opposition, that Hitler's aims are entirely and exclusively against communism, it is true that there does exist an anti-communist pact against Russia. However, this is merely one of the isolated policies these fascist countries have been following. I would like to quote to you from Hitler's own book, *Mein Kampf*, written in 1924, in which he says, "By howling against five or ten states we neglect to concentrate all the forces of the national will at the heart of our most impassioned enemy; we are sacrificing the possibility of foreign strength by means of alliances for the final struggle." This has been the German policy: first, to unite against Austria, then go in and take that country over. Next, she unites everyone pos-

sible against Czechoslovakia and then goes in and destroys Czechoslovakia. Next, she unites every possible amount of strength against Memel and goes in and takes that city. Next probably, her move will be to unite against Poland and then Switzerland.

Even though the fascist powers have clamored greatly against the communist powers, you will notice that not once have they run into one another, and up until this date the fascist powers have continually taken one democracy after another. Not once have they moved toward Russia or taken anything belonging to Russia. I would like to cite very good authorities, the editors of the *Washington Merry-go-Round*, Drew Pearson and Robert S. Allen, who say that you need not worry any time in the near future about a war between Germany and Russia, because Germany, following the policy Hitler has acted upon, is too smart for that. Germany is following the program of attacking the weaker non-resisting nations and those she can beat with a quick war. Germany is afraid of a long, tiring war. Germany is afraid of fighting a nation with great resources and, therefore, she will continue to follow the policy she has in the past. She will continue to follow the policy of least resistance by taking everything she possibly can, by allying as much strength as she possibly can, and by striking when the iron is hot, when her chances are the greatest.

How will we go about stopping this threat to democracy from the outside? In the first place we will guarantee economic assistance to any democracy that is attacked, threatened, or invaded. In case a democracy

is attacked, let us say for example that the Spanish Government has been attacked, we would offer to the Spanish Government the resources of the United States, Great Britain, France, and all the other democratic nations of the world. These resources comprise eighty-five per cent of the resources of the world. Had this plan been in operation during the past two years you would not have seen the Spanish Government fall into revolution and the revolution be partly financed on the outside by Germany and Italy because the Spanish people did not have food to sustain themselves, much less the guns and mechanical instruments that are necessary to carry on a successful war. We can see that any democracy would be able to hold its own and fight a good war for its own preservation. With such a plan, we would have today a strong democracy in a very strategic place, the Spanish peninsula. We would have there today a strong democracy rather than a fascist power to constitute another great threat to the democratic forms of government.

Another aspect of our plan is that we should apply rigid sanctions against the fascist powers who might become aggressors. Under our plan, these fascist powers would not be able to get supplies with which to fight. Just as in the World War those nations without access to supplies from the outside world found themselves bogged down, so would the fascist powers be submerged in case of their aggression. We know what the blockade did to Germany in the World War. Our policy of rigid sanctions would have just such an effect on any aggressive fascist power in the future.

Furthermore, we would not forbid any democratic nation from assisting a friend in case a second democratic nation is attacked. If some small democracy like Denmark, or Holland, or Belgium should be attacked, we would not in any way forbid France or England to go in and help them. Then when a large democratic nation would ally with a small democracy, its entire resources would be thrown behind its decision to be of assistance.

What would be accomplished by this? We would have greater protective strength for each democracy. Our plan would tend to counteract the threat of superior force that the fascist powers have used in bargaining. This plan would enable each democracy to better defend itself. The plan would strengthen the principle of democracy itself and make it more workable. Finally, it would tend to spread democracy, thereby increasing the chances for permanent peace throughout the world.

**Second Negative, Stuart Simon
University of Florida**

MR. CHAIRMAN, LADIES AND GENTLEMEN: In beginning this last Negative constructive speech, it might be well to re-establish the premises which we of the Negative have set up, and look at them in the light of those which the gentlemen of the Affirmative have set up to see which hold water and which do not. Now it seems as if there are two very definite things concerning which the Affirmative and Negative disagree in this particular debate. We of the Negative have stated,

first of all, that there is no real threat to democracy today; that the status quo, if left alone, will iron itself out. And the gentlemen of the Affirmative have countered with this reply: that there are two threats to democracy today, an internal and an external threat.

As we look back over their arguments, we see that their first argument pertaining to the inside, to the internal threat, can be eliminated as irrelevant to the functioning of an alliance. That which the alliance might do in this respect, individual nations can also do with perhaps increased efficiency. These gentlemen claim that the existence of men like Fritz Kuhn, German bunds in New York, Silver Shirts, and other fascist groups throughout the country constitute an inside threat to democracy—and we grant that claim. Yet we realize, as the gentlemen of the Affirmative themselves have said, that we ourselves can better foster democracy in our own country. We can have better legislation, we can educate our people and show them that through democracy their best interests will be reached, and that cooperation among the democracies will be in the best interests of all—without forming an actual alliance. We see that this inside threat which the gentlemen of the Affirmative have pointed out can be overcome because the democratic nations, without forming an alliance, can eliminate and alleviate that internal threat.

The gentlemen then elucidated on the external threat. Mr. Long quoted Adolf Hitler's *Mein Kampf* and pointed out that Hitler had a number of policies. First of all, Hitler was going to move eastward absorbing the

smaller democratic states of Europe till finally the Ukraine was entrapped. After conquering Russia and seizing the Ukraine, he would again turn westward to crush England and France. Now we grant Mr. Long this fact: that if such were to occur, undoubtedly it would definitely constitute a real threat to democracy. But when we look at the situation carefully and analytically, we see that such a happening would be impossible because we realize the vast military and naval resources that Russia possesses today, and because we realize that Russia has an army three times the size of any other nation in the world, an army composed of some 18,000,000 men. Understand, if you will, that Hitler's threat is carried to an extreme, and if Hitler should be engaged in war with "the bear that walks like a man," his little adventure would inevitably result in defeat. Certainly he would be in no condition to fight against the democratic nations of the world.

Mr. Long says Hitler is a shrewd politician. We admit this and know he will not follow such a stupid policy. He will fiddle around with some of the smaller nations between Germany and the Russian Ukraine, but this does not constitute a real threat to democracy! We are primarily interested here in the three great democracies, England, France, and the United States, and we believe that by holding on to democracy in these three *great* democracies, the system itself will best be preserved in this modern, changing world. And so we feel that Mr. Long's argument has been relatively fallacious. Our argument that the status quo will iron itself out stands fundamentally.

Let us look and see what is happening in the world of foreign affairs today. My colleague has well pointed out that Germany's drive is continually eastward toward the Ukraine, and we see that Japan's drive is ever westward through China toward the Russian protected provinces of Shensi and Shansi. We realize that these two fascistic powers, these two totalitarian states, are coming into conflict with the "bear that walks like a man," Soviet Russia. Now we simply relax and say that we should permit the three dictatorship powers of the world to squabble among themselves, that we the democratic nations, in attempting to preserve democracy, should permit these nations to expend their strength one against the other. Fascism versus communism, not democracy versus dictatorship, are the conflicting world ideologies today. The democratic nations can best be preserved by remaining at peace. And so we see that the status quo, if permitted to stand, will straighten itself out, that here is no real threat to democracy, and that the first premise which the Negative side has made in this debate still stands.

Then we look at the second premise which the Negative has established: that if this alliance is set forth, there will inevitably be a war. Now the gentlemen of the Affirmative have contested this statement. They have stood before you and said that there have been numerous other alliances in the world, and because there have been other alliances—(I believe one of the speakers mentioned specifically the pre-war Anglo-French alliance)—which did not provoke war, this alliance would not provoke war. But realize how fal-

lacious this statement is. Realize that the inconsistency is not in the Negative case but in the Affirmative case. The Anglo-French alliance has nothing to do with the alliance which these gentlemen propose. The Negative contends that if a firm, powerful-toothed alliance is set up, that alliance will inevitably lead to war. This is a different sort of alliance than the gentlemen of the Affirmative have been talking about. The inconsistency is not ours, but theirs. I am going to quote Mr. Long when he said, "We will make the fascist powers stand on their own ground." Comprehend the meaning of the statement. We see in the world today an irresistible force. We have quoted Mr. Walter Lippman to show you that Germany and Italy must keep striving perpetually, that their force is irresistible, and that, unless Adolph Hitler and Benito Mussolini constantly keep driving forward, their people and their constituents will arise and overthrow them.

So we see in the world today this irresistible force, this group of aggressive dictators who must be constantly driving or else be overthrown. Now what is Mr. Long going to do? He is going to set up an immovable object. I quote again—"We will make the fascist powers stand on their own ground," and you, as well as I, know what happens when an irresistible force meets an immovable object. The result would be war, conflict; and we of the Negative oppose war at any cost. We condemn the Affirmative policy, and state that, if followed, it will lead ultimately and inevitably into war.

Now for the third Negative premise. True, the opposition has given us certain specific details concerning

their alliance; but beyond these mechanical details, they haven't dealt with certain inexpressible spirits, sentiments, and feelings of nationalism, which must be considered if a thorough analysis of this question is to be had. Now we realize that alliances have been formed previously. We realize that there was a Triple Alliance formed preceding the World War, which included Austria, Germany, and Italy. We know, however, that Italy finally fought on the side of the Allies during the war. We see Italy, swayed by certain intangible sentiments, pulling out of this Triple Alliance and fighting on the opposite side. And then we turn to something else which the Affirmative gentlemen might have taken precedent from, the League of Nations, which was in reality an alliance of most of the nations of the world to preserve peace in the world. But we all know that there was no one to maintain League authority when Germany, Japan, and Italy defied Geneva and trampled League orders. Now what does the Affirmative propose to establish as a guarantee for the effectiveness of their League or alliance or what-have-you? The League had mechanical details for its administration as does the proposed alliance of the Affirmative, but what is going to keep the democratic nations of the world within this alliance, cooperating to the extent of their signed guarantee? Suppose the people begin clamoring for a dictatorship, suppose they no longer care to join and remain in this alliance. Exactly what do the gentlemen propose, to make this alliance effective? If I were to characterize this alliance in the words of Mr. Bethmann-Hollweg, the former German Chancellor, I

should call it "a scrap of paper." Or were I to combine the words of the German Chancellor with those of William Shakespeare I should term it "a scrap of paper full of sound and fury signifying nothing."

We of the Negative have attempted to establish three contentions here; that first of all, if the gentlemen of the Affirmative set up the alliance which they propose, their policy will lead inevitably toward war. And secondly, we see that this alliance would only be ineffective. The gentlemen of the Affirmative have not told us how they are going to make this alliance successful. On the basis of past alliances, which must be the basis for all judgments of future alliances, we can only understand that this alliance, if set up, will end in disaster, chaos, and failure. Thirdly, we would like to point out that if we, the democratic nations of the world, in the interest of peace, will leave the totalitarian states alone, the status quo will iron itself out. Nations will go to war, the totalitarian states will perhaps fight a war among themselves, but the democratic nations of the world may stay out and preserve themselves. They can remain at peace if only they will.

**First Negative Rebuttal, Benmont Tench
University of Florida**

MR. CHAIRMAN, LADIES AND GENTLEMEN: At this point in the debate, when the rebuttal period is just opening, it would be well to review both cases in the light of their development.

The main contentions of the gentlemen from Louisi-

ana State University seem to be (1) that there is an internal threat and (2) that there is an external threat. I have questioned their assumption that there is an internal threat and they have not yet seen fit to answer my argument. But granting that there may be a domestic threat, granting that they can prove the existence of a serious movement within the democratic countries to establish fascism or communism, they still have not shown how an alliance would provide the proper remedy for the problem.

Now we are not granting that there is an external threat. We believe that Mr. Long and Mr. Wilkinson are only looking at the surface of things. Mr. Long has been carrying his copy of *Mein Kampf* with him everywhere he goes and naively proclaiming to the world that Hitler is going to do exactly what he says he is going to do in his book; he has been trying to tell you that Hitler's word is as good as his bond. Now frankly, Mr. Simon and I aren't exactly greybeards, nor have we brushed off all the shreds of our childhood innocence, but we are a long way from believing everything we read in books, particularly one written by such a man as Adolf Hitler. We contend that the only way by which we can judge what the Fuehrer is going to do next is by looking at his past actions. I'm sure that you share our sentiments, so let us turn to the past actions of the German Chancellor and see what course of action is indicated by them.

Each German Anschluss has carried the swastika a little farther eastward. The German name for this policy of expanding toward the rising sun is *Drang nach*

Osten—Drive to the East. Continually the goose-stepping soldiers of the Reich have moved toward the east—east into Austria, east into Sudetenland, east into Czechoslovakia, east into Memel. Hitler's legions have consistently marched toward that arch enemy of the German nation and of fascism—"the bear that walks like a man." For the purpose of combining forces against Russia, the fascist nations of the world, with Germany in the lead, formed the Anti-Comintern Pact. Repeatedly the German nation has avowed its intention of ultimately having the Ukraine. To which statement the Russian leaders and people have answered that war will come before they will surrender any part of their country. So we see that there is strong probability of war between Germany and the Soviet Union.

I am sure that all of you are aware of the grave danger of the war between Japan and Russia in the Far East. I have already called to your attention the points of clash between these two nations. Thus we see that Russia is caught between two fires—Germany on the one hand and Japan on the other. If left alone, these three countries will fight it out among themselves and the democracies will be free to act as they please. Italy will be of little concern as I have already explained because she will have nothing to gain from a war of this nature.

We fail to see the point Mr. Long is trying to get at when he accuses us of being inconsistent, but we are willing to let his statement go unchallenged until he has another chance to clarify what he mistakenly imagines to be an inconsistency.

We have shown you that such an alliance would promote war since it would present an immovable object to the irresistible force created by the dictators. Once this alliance were formed we could not afford to back down, since we would lose our prestige if we did so; the dictators could not afford to back down since they are forced forward by their people; so the inevitable result would be conflict and war. Therefore, we of the Negative hold that the democratic nations of the world should not form an alliance for the purpose of preserving democracy.

**First Affirmative Rebuttal, James Wilkinson
Louisiana State University**

LADIES AND GENTLEMEN: I did not catch exactly what the questions were that Mr. Tench brought forth just now, but I feel sure that my discussion of the essence of the Negative case will answer the questions. Their stand seems to be based on five major contentions:

First, that the democracies can individually take care of the threats that exist within.

Second, that the alliance which Mr. Long and I propose can do nothing about helping to solve the problem of the outside threat.

Third, that in addition to its failure, the alliance will bring us trouble in the form of a war.

Fourth, that the status quo can iron itself out.

Fifth, that the democracies of the world really do not want an alliance.

In regard to the first, I should like to remind the gentlemen that Germany was not able to take care of the inside threat by herself, and that Spain was not able to do so either. But Austria with outside aid and with aid from the League of Nations was able to be saved from an "ism" for a good many years. Had we given the same aid to Spain, Spanish democracy might have been saved. Instead, what did we do? We placed an embargo on war materials for the whole of Spain, deserting her while the fascist *alliance* of Germany and Italy supplied the fascist forces in Spain with the necessary resources. Thus they have won another land from us.

In substantiation of the second contention—that this alliance cannot meet the outside threat—the gentlemen pointed to one certain instance and that was the League of Nations. However, we may rule this body out as a parallel to what we propose, because, first, the League was a house divided against itself, and second, the United States was not a member. Both aggressive nations and pacific nations were in the League, pulling against each other, while on the side the United States was making for the failure of economic sanctions by the export of resources and war materials. On the other hand, an alliance of democracies to preserve democracy would be a group with a common purpose, and a group strong enough in several ways to carry out its purpose.

Now, we have the third Negative contention: that the alliance would bring on war, because in Germany and Italy intolerable economic conditions demand action to bring up the standard of living, and demand that war come before loss of purpose and face by the dicta-

tors. This situation can be met by giving economic help to these countries, by providing trade and resources for their betterment, and by the resultant termination of taxes and expenditures for their respective war machines. We must admit that saving Hitler's face is a problem, but at the moment he is not in motion and this temporary hesitation can be prolonged until his boasts and pledges are forgotten. Besides, the United States itself is absolutely safe. A European war can remain a European war with Polish, French, Russian, English, and other soldiers, and with American resources—not men—enough to squelch the trouble.

The fourth contention of the Negative was that since Germany and Italy go east and Japan goes west, all against Russia, the situation will iron itself out. It is true that these movements are in the specified directions, yet a glance at the side that has lost shows that communist Russia is yet untouched while the democracies suffer gradual extinction. The Negative has quoted Hitler's aims as not being against democracy; but what they think he is going to do, and what he says he is going to do, does not correspond to what he has already done.

Lastly, it was claimed that the democracies of the world really do not want the alliance. Of course, this is not the problem—we must educate them to their needs—still England and France are already allied; Poland insists that she strengthen alliances; and we say to the United States, do not stand by and watch organized fascists in Europe take double toll from the nations of freedom and justice.

Second Negative Rebuttal, Stuart Simon
University of Florida

MR. CHAIRMAN, LADIES AND GENTLEMEN: Generally speaking, it was assumed that the Affirmative would come up here with some sort of plan during their constructive speeches, and we have interrogated and asked these gentlemen for that constructive plan throughout the debate. Finally, during the first Affirmative rebuttal the gentlemen gave us some little hint as to what might be done, but it was by no means a plan in any shape, form, or substance. They haven't told us whether they are going to form an economic, military, or political alliance—they haven't told us anything about their plan. Since this is the last Negative speech; we shall not have time to counter anything which the gentlemen of the Affirmative may say, and we can only condemn this action. However, we are mightily aware of the fact that no suitable plan could have been presented. Mechanical details can be thrown at us from now till doomsday, but the effectiveness of the alliance cannot be assured. We cannot compel nations to act coordinately forever. The alliance will fail because intangible ideas, ideals, and principles cannot be forced upon peoples. And so we claim this alliance cannot be enforced, and will not be effective.

We have said, in the second place, that if this alliance were formed as advocated by the gentlemen of the Affirmative, it would inevitably result in war. And we pointed out a number of facts: that Hitler and Mussolini have got to keep going, have got to keep driving;

they must constitute themselves as an irresistible force or their people will overthrow them. The standard of living in their nations is constantly diminishing and the dictators realize that some means must be used to divert the attention of the people from the internal crisis. So they pursue their policy of irresistible expansion. They must keep moving or else they will be overthrown. Now these gentlemen are going to oppose them on these grounds. They say, "If you make one more move, Mr. Hitler or Mr. Mussolini, we are coming after you, and we are going to wave our big stick at you. We are going to stop you." Without taking cognizance of the fact that an irresistible force exists, these gentlemen move to set up an immovable object and have as the inevitable consequence a war. We oppose the alliance because it will lead to war.

And thirdly, we realize that the status quo, if left alone, will preserve the democratic nations, if they will follow an isolationist policy. The struggle today is between communism and fascism; democracy need not be involved.

**Second Affirmative Rebuttal, Russell Long
Louisiana State University**

MR. CHAIRMAN: The gentlemen of the opposition claim that we of the Affirmative have done them an injustice in not committing our plan to them in order that they might attack it. To this I can only answer that they have done themselves an injustice by not listening to my constructive speech. In this speech I

pointed out to them just exactly what we intend to do. Specifically, I told them that in case a democracy were attacked, threatened, or invaded, that democracy would be guaranteed economic assistance by all the rest of the democracies of the world. I told them that we would guarantee them protection against any aggressive fascist power. I told them that we would guarantee benevolent neutrality, at least in all other matters, and that we would not forbid alliances with other democracies. Further, I told them that the democracies would systematically spread democracy among themselves. I told them that the democracies by forming this alliance would promote better practices among democracies by pressure and by world-wide recognition of what principles work best in democracy.

The gentlemen from Florida, as I interpret them, want us to go into a tremendous detail of intricacies. Evidently they want us to tell them what we would do in this little case, in that little case, or any other case. We can only answer that they should use their own reason and apply the plan that we laid down to them. We cannot make such a plan as this so broad and so inclusive as to apply to every specific example. However, we believe that they might have reasoned for themselves from the general plan I described to them to see how this plan would work in practice.

The gentlemen of the opposition have consistently said throughout this debate that by forming an alliance such as we are proposing, we would have an irresistible force which is going to cause war between the democratic and fascist nations. Once again I am sorry that they

did not listen to the plan which we set up. We told them that we would merely unite the democracies behind the principle of democracy and that we would have the democracies of the world saved; that where a democracy is threatened or attacked the resources of the rest of the world would be at the disposal of the particular democratic nation that is threatened.

Now the gentlemen say that the democracies are not threatened and that it is Russia that is threatened. I would like to point out to you that for the past ten years Germany has been shouting that she wants to fight Russia and yet every time she shouts, she turns and takes other nations. She shouted that she wanted Russia and she took Austria. She shouted that she wanted Russia and she took Czechoslovakia. She shouted that she wanted Russia and she took Memel. Likewise, Japan shouted that she wanted a part of Russian territory and she proceeded to take Manchukuo. Again Japan shouted against Russia and proceeded into the rest of China. From what those nations have said about their designs on Russian territory we can determine nothing. What we have really found out is that those fascist powers, while shouting against Russia, have turned against small democratic nations and have carried out their true designs. So it follows that France is actually threatened with a loss of territory and a loss of prestige. Now demands are being made upon Great Britain. These demands are actual and true. Aggressor nations are taking steps toward backing up these demands and we see that a threat does actually exist to democracy.

Further, in regard to the contention that our plan would inevitably result in war, I must admit that possibly the democracies may be involved in war. But if they are, knowing that democracies are being threatened in the world today, we would do far better to have an alliance of democratic nations who would stand together to have a far better chance of winning a war. But if these fascist powers have their designs against *communistic* nations, certainly no damage is going to be done to democracy if we form an alliance such as we propose. What the democratic nations of the world must be afraid of are the fascist designs against the *democratic* nations.

I should like to point out to you that by meeting this outside threat, by giving the democracies a better chance to preserve themselves against aggressive nations, we strengthen democracy from the inside because the people will have more faith in the kind of government they have. They will be willing to abide by it rather than join in revolutionary movements against it. Unless such definite, positive actions as we of the Affirmative have proposed here today are taken in the near future, the fascist powers will continue to destroy one democracy after another until there is none left.

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REARMAMENT PROGRAM OF THE
UNITED STATES

A Radio Debate

CHICAGO-KENT COLLEGE OF LAW AFFIRMATIVE *vs.*
MARQUETTE UNIVERSITY NEGATIVE

The turn taken toward rearmament for the United States by the present administration following the Munich episode of last fall, came in for discussion in collegiate circles during the debate season along with the "If we don't have a war" remark which was made qualifiedly by the President while at Warm Springs, Georgia.

The present discussion is brief because it is a radio debate where time is limited. This debate was presented over Station WLS, the Prairie Farmer Radio Station, located in Chicago, by the Chicago-Kent College of Law and Marquette University, of Milwaukee, Wisconsin, as part of a radio series given by the Chicago-Kent College of Law and its various debate opponents during the 1938-1939 season.

The question discussed in this debate was stated: Resolved, that the United States should arm to protect the American continent from foreign aggression.

The speeches were collected and contributed to *Intercollegiate Debates* by Edmund W. Burke, Director of Forensics at the Chicago-Kent College of Law.

REARMAMENT PROGRAM OF THE UNITED STATES

First Affirmative, Walter L. Oblinger, Jr.
Chicago-Kent College of Law

LADIES AND GENTLEMEN OF THE RADIO AUDIENCE: For the purposes of this debate, we of the Affirmative should like to define the terms being used this morning. By "arm" we mean both military arming and dissemination of truth calculated to counteract propaganda now being carried on, on this continent, by foreign aggressor nations. By "protect" we mean to defend both from military aggression and from propaganda of foreign nations. By the "American continent" we mean North and South America. By "foreign aggression" is meant armed invasion and dissemination of propaganda from nations other than those situated in North and South America.

Active defense of the American continent from foreign aggression by the United States is nothing new. That has been the traditional American foreign policy ever since it was first propounded over 116 years ago by President Monroe. In his message to Congress, with reference to foreign nations, he said, "We owe it to candor . . . and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere

as dangerous to our peace and safety." Ever since this declaration of the Monroe Doctrine, the policy aimed against foreign aggression on the western hemisphere has been defined, re-defined, and restated until it has taken on new and broader meanings, but it has never been abandoned and is today as much of our foreign policy as it ever was. Why, then, the need for this discussion?

First, because for the first time this fundamental policy of our government has been seriously threatened. Certain nations, whom I shall not name, have already commenced their insidious campaigns of propaganda, of race hatred, of religious intolerance, and of sabotage and corruption in both North and South America. Radio programs have been directed toward civilian populations, airplane lines have been set up, newspaper campaigns commenced, goodwill tours made, Bund, silver shirt, and khaki shirt movements started—all with the objective in mind of selling the peoples of these continents on the virtues and desirability of an autocratic form of government over that of a republic.

In the United States itself, *Forum* for January, 1939, discloses that the campaign for this country has been denominated *Unser Amerika*—Our America—by one of these aggressor nations. The technique is to organize a strong militant minority group whose task it is to stir up dissatisfaction and internal dissension and then to step in and dominate the chaos they have created through the minority they control. "The local government is no longer master of the situation. We find it necessary to intervene to preserve peace." This form

of aggression is much more effective and successful than the old-fashioned armed invasion type. You can work at a distance—ease the way, and then, when you finally do step in, the ground work has been laid, little or no education of the masses is necessary, and oftentimes it can be done without any loss of life to the aggressor. All political opposition is summarily dealt with. Certainly this method is much cheaper, and events have demonstrated that it is much more successful. Don't make the mistake that these nations are not adept at this form of aggression. Witness the taking of Austria, of the Saar, and the dismemberment of Czechoslovakia.

The most important consideration is, of course, that of defense of the United States. Heretofore, our statesmen have used every peaceful means to promote peace. They have sponsored the Kellogg-Briand Pact, the Versailles Treaty with its League of Nations, innumerable disarmament conferences, and many more plans which there is not now time to enumerate. But in these days when foreign nations indicate that they will not respect right as distinguished from might, when undeclared wars are waged on unsuspecting innocent peoples, it is time to recognize that the United States stands virtually alone in its attempt to live at peace with other nations. It is time to recognize that any guarantee against war is not to be found at the conference table but in the security that an adequate army and navy brings.

As much as we of the Affirmative detest an expenditure for armaments and devoutly hope and pray that such money be diverted to the promotion of purely

constructive and productive ends, with the objective in mind that the standard of living of all the people in this country be raised, yet, we confess that we can see no other alternative, no other immediate solution to the problem of peace, than a general program of rearmament. Bear in mind that once a foreign nation gets a foothold on this continent either directly through armed intervention or indirectly through propaganda, we as a nation must prepare ourselves to take a lesser role in the affairs of the world and in the western hemisphere. The enemy will then have a base from which to hurl propaganda and attack our institutions, our schools, our form of government, and our way of life.

Last but not least, America must arm to prevent foreign aggression because our safety is vitally necessary to our economic well-being. In these days of technology and of large-scale mass production, the standard of living of the American worker is directly affected by the loss of any market. The secret of a high standard of living lies partly in the ability to produce the greatest quality and quantity with the least amount of energy expended. Our exports to South America have been variously estimated at about 15 per cent of our export trade. The potential market is even greater. The loss of such a market would mean that the greatest efficiency could not be gotten from our machines and quality would have to be lessened as the total amount produced fell off. This would spell the difference between profit and loss on the one hand, and poverty and a livable standard of living for the bulk of our people, on the other.

We of the Affirmative do not advocate an expansion

of our armed forces for the purposes of aggression, but we do advocate that they be expanded for the purposes of extending our sphere of influence so that foreign intermeddling in any form may be effectively stopped at its inception in the western hemisphere. We do maintain that the Monroe Doctrine should be reaffirmed and revitalized in the light of a new, modern, and changing world.

Liberty and peace are threatened in America today, not only from without, but from within. If we are to preserve both, we must act now. We must demonstrate to the world that America means business, and that it will not tolerate any intermeddling in the western hemisphere to the end "that this nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth."

First Negative, Peter P. Woboril, Jr.
Marquette University

LADIES AND GENTLEMEN: Without any further preliminaries we would like to challenge the gentlemen from Kent College on their first issue—the question of an aggressor invading this hemisphere by military means. If our discussion this morning will effect nothing more than a clear disclosure of the actual facts and figures showing the great strength of present American defenses, we of Marquette will be more than satisfied. It will be the sole purpose of the Negative constructive case to show with facts and proven military statistics

that we need have no fear of a military invasion of this continent by any foreign aggressor.

In maintaining our position as advocates of a foreign policy of hemispheric isolation for the United States, before we will concede the Affirmative's proposal we shall ask that they prove conclusively that (1) Some potential enemy intends to invade us, (2) that a danger of a possibility of actual military invasion exists, and (3) that the present status of our national defenses is not adequate.

If we were to analyze the sources of the current war scare which seems to have frightened the gentlemen of Kent, we should be surprised to learn that there has been laid down by powerful special interest groups a highly organized machine of propaganda whose express aim is to influence the American people into becoming invasion conscious. The ballyhoo over the increase in the German submarine fleet, Franco's victories in Spain, and the alleged endangerment of our vast investments in China (which investments actually equal but $\frac{1}{10}$ of the annual cigarette bill) have been initiated, nursed, and spoon-fed to the gullible American public by biased news sources which claim a "possible eventual" invasion of this country, by left wing radicals who seek dictatorship under the cloak of an "M-Day" mobilization, and by imperialistically-minded politicians who seek to hide in the blare of world crisis certain domestic failures and shortcomings. We ask permission to give a few military reasons why we cannot and will not be invaded.

We would request the Affirmative to answer the fact

that every noted *retired* military or naval authority like Generals Butler, Hagood, and Rivers terms the invasion scare a line of mere poppy-cock designed to gain more appropriations, patronage, and political power. Air-bomber crossings of the Atlantic or Pacific with enough bombs to be effective and fuel to get back belong to the comic strips. To bomb us would require a vast number of planes with fuel and supplies transported on airplane carriers protected by a navy superior to our own suddenly appearing on our coasts. We suppose our own navy, coastal defenses, and air forces would be sleeping. Military men are agreed upon the fact that the extreme radius of a large formation of big bombers is about 1,000 miles under the most favorable conditions. A look at the map will convince us that our coasts and the Panama Canal are safe from attack from any European or Asiatic base. It is 3,000 miles between the German North Sea and Boston, 4,000 from Spain to Panama, 5,000 between Japan and San Francisco, and 7,000 from the Caroline Islands to Panama.

How does the Affirmative propose the enemy will convoy the 1,000,000 men General Smedley Butler estimates would be needed to make a dent in our defenses? All the available mercantile marine in the world can only carry 640,000 men and supplies (the fascists having a small percentage of this). It would take more transports than all the combined fascists have to land and maintain an invading expedition of even 300,000 men.

During the world war with all the enemy shipping swept from the seas, bottled up by a superior navy (as

the Japanese wouldn't be), with all the shipping in the world that could possibly be spared, the peak of the A.E.F. transport service was 300,000 men in one month. The nearly 4,000,000 tons of shipping available (half of the present combined fascist mercantile total tonnage) could only get ten-seventeenths of their supplies to our soldiers. You just can't get an army over here to invade us.

Furthermore, naval authorities are agreed that the Japanese fighting fleet (three-fifths of ours in size) would lose 40 per cent of its effectiveness at the Hawaiian Islands and 70 per cent by the time it reached Panama. The whole continual trend of naval development has been to make the offensive, especially at a distance, more difficult and dangerous.

Perhaps the Affirmative can show how the aggressor nation could get a big enough navy assembled in one spot to (1) meet and defeat our navy fighting in home waters, already the biggest in the world, (2) yet keep enough battleships at home to protect its own people and shores from its own enemies, and (3) still be adequate enough to guard a convoy of 500,000 men. After they have answered this, we would like to ask how such a force could land on our bleak and rocky Pacific shores all their men and a ton and a half of material required for each man, in the face of all our coastal defenses, while handicapped by our planes, our navy, our highly mechanized artillery speeding to the scene, heavy railroad guns, and an enraged population and army to harass their landing.

Admiral Byewater in his book *The Great Pacific War*

says that to land supplies for even ninety to one hundred transports in a friendly port with all conveniences of native help, instead of bitter opposition, would take three weeks. During this time, it must be supposed that our navy, air force, and mechanized army would be idle.

The impossibility of invading the American continent is further augmented by the fact that, if we maintain a policy of hemispheric isolation, our present defenses are adequate to protect our shores. Our army is invincible in its own stamping ground, for the regular mobilized army of 165,000 men plus the reserves of the C.M.T.C., R.O.T.C., and the National Guard of 200,000 men gives the United States a nucleus with which to build an army of 11,000,000 men within ten months. It may take twelve months to train a man to fight overseas but it takes only an hour to train a man to defend his home and family. The new Gerand semi-automatic infantry rifle makes every man a virtual walking machine-gun nest. The army has plans for an overnight "M-Day" mobilization scheme which would convert our mighty industrial power into a mighty arsenal of men and machines.

Our navy, on November 20, 1938, ordered three new 35,000 ton battleships, bringing our total tonnage to 1,540,000 tons, almost equal to that of Great Britain and 700,000 tons more than that of our nearest fascist rival. Our Pacific defense triangle from Alaska to Hawaii to Panama is impenetrable. The Caribbean is a stronghold filled with naval bases and nearby continental supply bases for our navy and army.

Our air force is the finest and most modern in relation to those of other powers. If not, why have German planes been powered by American-designed Curtiss-Wright motors, and why have the French and English sought to buy our latest planes?

In summation, let me say that, until the opposition can show a positive danger and a real need based upon figures and facts showing why the present expenditures of \$1,000,000,000 a year are not adequate for our protection, there is no valid reason why the American people should depart from their present policy of hemispheric isolation and arm to protect the American continent from foreign aggression. The only invasion we have had in the last one hundred years is that of the Japanese beetle and the British lecturer.

Negative Rebuttal, Walter S. Block
Marquette University

FRIENDS OF THE RADIO AUDIENCE: It is indeed unfortunate that the proposition which we are discussing has been given a duo interpretation by the Affirmative and thus they are in fact debating two questions.

The first contention of the Affirmative is that the United States should arm to protect herself from an armed aggression. The Affirmative argument is similar to a perfect barrel—well turned out but destitute of matter. My colleague, Mr. Woboril, has firmly established the Negative position on this point, which is that there is no possible aggressor, that if there were an aggressor the United States is invulnerable to invasion,

that the United States is sufficiently armed to maintain her hemispheric isolation, and that, therefore, we should not make enormous expenditures to provide ourselves with devices which would ultimately mutilate and destroy human lives.

The Affirmative further contends that the United States should arm in order to protect the American continent from a cultural and economic invasion by foreign states. Though the issue is irrelevant to the matter at hand, still it has raised a question as to what position the Negative would assume regarding it. It is a question which cannot be relegated to obscurity. The Negative is of the opinion that its position as to the original proposition will not be impaired when it states that it is in perfect accord with the Affirmative on its irrelevant interpretation.

Any rational man, regardless of his political affiliations, would agree that big business should retrench or revamp itself, gaining both a new foundation and a greater aim, that the government should rid itself of parasitic politics, and that the two, working hand in hand, could mold our country into a unit far stronger than any which one man could mold by his dictates.

The Affirmative would undoubtedly agree that this new United States could guide the entire American continent in its economic and political destinies so as to establish a great balance of power in the Western hemisphere as a true messenger of world peace.

We of the Negative contend that the United States should not arm herself with demons of military warfare because the universal aim—world peace—could be

more readily attained by a process of internal adjustment.

**Affirmative Rebuttal, Harold P. Cohen
Chicago-Kent College of Law**

LADIES AND GENTLEMEN: We of the Affirmative desire to assure our somewhat over-zealous opponents that we have not been subjected to any pressure. The thoughts we have stated here spring from independent minds—and it is exactly this independence of mind, this freedom of expression that we are so anxious to protect with every means at our disposal against the inroads of totalitarian states.

Our opponents in this discussion seek to soothe us with that repetitious opiate—"actual physical armed invasion is impossible." But we are still uneasy. The possibility of foreign aggression is no longer in the controversial stage. Actual invasion of the American continent has already begun—not spectacularly by force of arms, but just as effectively, by propaganda, utilizing the latest scientific means of communication, establishing, by a venomous and irresistible penetration, spheres of influence in this western hemisphere, from which, unless we take the proper precautions, it will be all too simple a matter for the dictator bloc to launch an actual, armed attack upon us.

The gentlemen of Marquette assert that the dictators are merely bluffing. We can not be so sure, when we think of Italy's 1935 African adventure in defiance of the League of Nations, of Japan's conquest of Manchuria under similar circumstances, when each of those

countries well knew that their aggression might cause the active armed resistance of powerful nations. Nor is there anything reassuring in the words of learned students of foreign affairs who advise us that were it not for the surrender at Munich, Hitler would have hurled the world into war. There is a lesson for us in what happened at Munich. Had England had enough foresight to rearm in 1927 instead of 1937 the action of Germany would perforce have been a reasonable plea for peaceable revision of the Versailles Treaty, instead of unilateral defiance of all international agreements. The United States, like England, is a power that excites the envy of the have-not nations: Germany, Italy, and Japan. Who can safely prophesy that the next time they cast their eyes abroad they will not light upon *our* possessions? And then, in what position will we be—will we supinely plead for mercy because we have been persuaded by impractical theorists and backward-looking greybeards to disarm; or will we command the respect of those who would address us because we will be sufficiently strong to resist aggression?

Our opponents in this discussion strengthen the case for rearmament by citing figures that, when analyzed, reveal that the combined merchant marine and ships of war of the totalitarian states possibly can transport 300,000 men to our shores in a single trip.

They state the case conclusively for us when they make the admission that superiority in the air and on the seas can effect the invasion that we fear. That very superiority exists today. The three powers whom the American people fear possess an overwhelming advan-

tage over this country in every branch of offensive strength, and, just as important, are far superior to us in facilities for the manufacture of increased munitions, despite the unfounded assertion that this country's industrial set-up can surpass the armament production of any other country. Facts and figures prove that Germany alone is in a position today to produce seven times the military planes that can be manufactured here. Moreover, those three powers are closely knit for purposes of unified operation; but the United States must ultimately depend upon herself, since it appears, with each European event, that the formerly great democracies are degenerating into mere satellites of two gentlemen whose personal ambitions know no bounds.

We of the Affirmative can gladly join with our opponents in pointing to the natural defensive barriers with which the American continent is gifted; but let us not make the mistake of depending too much upon those erstwhile impassable bulwarks, because every day the ingenuity of man contrives means and measures by which those barriers contract and shrink; and we will live to see the day when the Atlantic and the Pacific will present no more effective guaranty against foreign invasion than the English Channel today provides for Great Britain.

In concluding, I say that however much we rue the necessity of arming, we must remember that we face an *actual* existing condition, not a theory. In a world dominated by ruthless force, we cannot stand defenseless if we want to preserve the last outpost of liberal democracy and individual freedom.

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GOVERNMENT SPENDING TO
STIMULATE BUSINESS

*Championship Debate of the Pi Kappa Delta
Pacific Coast Tournament*

UNIVERSITY OF REDLANDS AFFIRMATIVE *vs.*
UNIVERSITY OF SOUTHERN CALIFORNIA NEGATIVE

The final debate of the Pacific Coast Province Tournament held last March at Pasadena, California, by Pi Kappa Delta under the sponsorship of the California Institute of Technology, Pasadena College, and Pasadena Junior College had to be postponed for about a month; the tournament ran so late that the Southern California debaters had to leave on an eastern trip before the end of the tournament. The postponed debate was held at Pasadena Junior College in April before a board of judges composed of one representative from each of the sponsoring institutions. The debate was decided two to one in favor of the Negative. This was the second victory for the Southern California team as they had won in the Western Speech Association Tournament held at Tacoma, Washington, at Thanksgiving time. Redlands tied for second in this first tournament, so both teams maintained their positions for the season.

The question used was the regular National Debate Question, chosen also by the Pi Kappa Delta Honor Society for the 1938-39 season: Resolved, that the United States should cease to use public funds (including credit) for the purpose of stimulating business.

The speeches were assembled by Professors Alan Nichols of the University of Southern California and Egbert Ray Nichols of the University of Redlands, Directors of Forensics at their respective institutions.

GOVERNMENT SPENDING TO STIMULATE BUSINESS

First Affirmative, William Roskam
University of Redlands

MR. CHAIRMAN, GENTLEMEN OF THE OPPOSITION, HONORABLE JUDGES, AND FRIENDS OF THE AUDIENCE: The question for debate today is: Resolved, that the United States should cease to use public funds (including credit) for the purpose of stimulating business. Definitions needed are as follows: By United States, we mean the Federal Government. By cease, we mean stop at the end of present appropriations. This definition would, of course, allow loan agencies to continue the turnover of loan funds until depleted by failure to be returned. By funds for the purpose of stimulating business we are taking it to include all funds for relief and recovery as spent by the Federal Government. We are including federal relief in the definition in order to avoid quibbling. We realize that this is not common, but in order that this debate might continue along definite and accepted lines we are assuming this extra burden of proof.

The basic stand of the Affirmative in this debate is as follows: Pump Priming has accomplished all that it has the faculty to accomplish and the end of this accomplishment is not recovery. May I repeat that again, as it is the basis for our entire case. Pump Priming has

accomplished all that it has the faculty to, and the end of this accomplishment is not recovery.

The first issue in support of this stand that the Affirmative is offering is: Pump Priming has given us artificial stimulation but cannot give us recovery. We of the Affirmative must, of course, grant that there has been stimulation; how can a government spend so many billions of dollars and not get some kind of response? Certainly the constant and continual expenditure of billions of dollars will produce stimulation. But then comes the question—what has this stimulation accomplished? Six long years of continued spending and all we have to show is stimulation! And we only have stimulation because we see that there is a definite correlation between activity and expenditure. There is no carry over of recovery. This state of affairs is the background giving rise to our first issue, that we have stimulation but do not have recovery.

The cause for this condition is the manner in which the government proceeds upon this policy of spending into prosperity. There are two sources of government income: taxes and borrowing. From the very nature of Pump Priming it depends on the second form of government income, that of borrowing. The nature of government borrowing is principally of one type: borrowing by the issuance of bonds and then selling these bonds on the open market, thus completing the transaction. What this complete transaction does to business can be seen when we realize that the reserves of the commercial banks of America are now primarily in the form of government bonds. Many people say that it's all right

because under our system of currency, government debt can be used as a basis for future expansion of credit. In saying this, those people refuse to recognize, however cleverly it is worded, that the sale of government bonds on the open market reduces the investment of that money in employment-creating private securities. It is possible to expand bank credit based on debt but the private capital spent on government bonds can never then be invested in private securities which put men to work. Thus we see that the very nature of the plan of Pump Priming is set up so that over a long period of time the continued sale of government securities on the open market will actually retard the aim that Pump Priming sets up for itself. The continued sale of government bonds reduces the amount of private capital available for investment in private securities, while at the same time the aim of Pump Priming is to stimulate that investment. This then gives the first support to our issue, that Pump Priming may give us artificial stimulation but it cannot give us recovery.

Let us put the support of this issue another way. According to the *Annals of the American Academy* there are two economies, public and private. Public economy has as its sources of income: taxation and borrowing power. Private economy has as its source of income, production. The process of Pump Priming, being of the nature that it is, involves the borrowing power section of the income of public economy. When this is used we must constantly bear in mind that the creation of purchasing power by borrowing against the future is merely establishing purchasing power for the present

against production of the future. Purchasing power and production are the same thing and if you raise one artificially you must level it at some time in the future. That is just what Pump Priming is doing, borrowing against future production to make purchasing power for the present. Pump Priming, then, is an artificial interference of public economy with private economy in which private capital is taken from private economy and then is reinjected in an artificial "made work" manner to create a larger purchasing power for the present. The results are twofold. This process takes away private capital and it builds up a debt for future production to pay.

The second issue that we of the Affirmative have to offer to support our initial stand is that a change in attitude renders the plan invalid even if it were practical over a long period of time. First, on the part of Congress there has been a change in attitude. This was exemplified by the recent slashing of appropriations and the attitude that the time has come when this plan must either prove itself or end. In making this statement we do not offer it as iron clad proof, but we do offer it definitely as an indication of a change in attitude towards the policy of Pump Priming.

There has been a change in attitude on the part of the people, too. This was first indicated when the people refused to purge Congress of any of President Roosevelt's proscribed senators and congressmen. This, of course, is not proof in itself but this indication prompted a survey by the American Institute of Public Opinion. The survey showed that 63 per cent of the

voters in the United States are not in favor of a continuation of Pump Priming. This survey was taken according to the same policy of nation-wide sampling that the American Institute has always followed.

We find that there has been a change in attitude on the part of the business men. The Washington conference of "little" business men favored curtailment of government spending because the present rate "is greater than the ability of the people to meet." The President's Business Advisory Council has flatly stated that Pump Priming at this time would "seriously interfere" with the resumption of a "sound" recovery. Big business men through their various organs of expression have in recent months continually expressed themselves in favor of the cessation of this policy. Because there has been a change in attitude on the part of the people, Congress, and big and little business men we conclude that even if the plan were practical, this change in attitude would render it invalid.

The third issue that we of the Affirmative have to offer in support of our major stand is that the plan is not only impractical and invalid but its continuation may do permanent harm to our economic and democratic structures. The policy of Pump Priming is such that it supports marginal high cost businesses. Many say that during a period of stress this is a desirable activity on the part of the government, but allow us to remind you that it is the entire nation that is paying for the support of these marginal high cost businesses.

Prior to the boom and recession of 1936 and 1937, there was a fear expressed by many that the political

consequences of a boom for which the government could take credit would be too great a strain on our democratic structure. This fear that the government would assume too much credit and use this advantage in undesirable ways prompted many to refuse to aid in business recovery. Fear of the political consequences of a boom for which the government could assume credit has slowed down our economic system. Thus the government's Federal Housing Authority and other alphabetical agencies are slowing down private reinvestment.

The structure of federal relief is such that graft and corruption run rampant. People in Washington accept this as a fact, realizing that the system is not designed nor geared to stop it. Also along this line is the danger to our democratic form of government wherein relief increases just before election time whether business conditions are improving or not. Farley was quite correct when he said: "What! beat four billion dollars? Never!"

In view of these facts we reiterate, that the plan is not only impractical and invalid but that it may do permanent harm to our political and democratic structures.

We have offered and substantiated the following three issues. First, Pump Priming has given us artificial stimulation but cannot give us recovery; second, a change in public attitude renders the plan invalid even if it were practical over a long period of time; and last, not only is it impractical and invalid but its con-

tinuation may do permanent harm to our economic and democratic structures.

First Negative, William Barton
University of Southern California

MR. CHAIRMAN, GENTLEMEN OF THE OPPOSITION, HONORABLE JUDGES, LADIES AND GENTLEMEN: You have just heard the case for the Affirmative as presented by Mr. Roskam of Redlands, and it is our purpose at this time to answer his major allegations. He first contends that Pump Priming has accomplished all it can accomplish because it does stimulate business but does not promote recovery. By so contending, the first speaker admits the stimulating effect of the spending program. He thus rests his first contention upon the fact that such spending does not result in a lasting and permanent recovery. With this the Negative heartily agrees. The Pump Priming program was never claimed to have been a cure-all. Its sole function is that of temporary stimulation; its purpose is to aid business only until that time when business can carry the burden upon its own shoulders. Later in this discussion the Negative will demonstrate that business is not able now to assume the entire load, and that such stimulation as the government can give is most desirable at the present time.

Mr. Roskam further contends that a change of attitude has rendered the plan of Pump Priming unworkable. First, he says that public opinion is opposed to a further continuance of the spending as the recent polls

of public opinion indicate. It may be said that these polls do not always reach all strata of society and that those who receive the most benefits from such a program may never cast a vote. When the entire populace voted in 1936 and 1938, it returned a substantial majority of those public representatives who favor and who defend the plan we are debating today. Yes, it is always true of human nature. The man on relief is willing to see the government economize by canceling the Reconstruction Finance Corporation, or withholding payment of the soldiers' bonus, while the master of finance or the ex-soldier may authorize a reduction in relief and W.P.A. funds. But no one is willing to see the government withdraw its support, as it directly affects himself, during a time of economic stress when misery stings the hardest.

Mr. Roskam concluded with the argument that such a program as we support may do permanent harm. He advances two secondary issues thereunder. The first is that a boom would be uncontrolled by the present policies of loose financing, should one ever get under way. We remind our adversaries that the Federal Reserve Board may at any time reduce credit by increasing reserve requirements for member banks and that such constriction of credit can absorb the expansion of credit that has preceded. His second point is that the Federal Housing Authority is defeating the investment of private capital. Actually, the opposite is the truth. The F.H.A. does not lend a red nickel. It merely guarantees loans made by private lending institutions. It merely stimulates the movement of private capital

without the expenditure of any government funds. It operates upon a principle of using government credit and private reserves. The F.H.A. costs nothing and creates private investment.

Thus the arguments of the Affirmative have been answered, and it is now time we turn to the constructive case of the Negative. Mr. Royston and myself believe that the program of spending pursued by the present administration has resulted in many positive benefits. We contend that it has been positively beneficial because it has alleviated the misery of the depression. It must be remembered that the opposition is not dealing with some kind of ethereal plan of spending, but that they advocate the abolition of certain specific agencies, created to fulfill a specific purpose. Let us analyze a few of them. The H.O.L.C. has made it possible for over 1,000,000 American citizens to save their homes from foreclosure at a time of stress and strain. The F.H.A. has enabled 160,000 low income families to construct low cost dwelling units. At the same time it created 700,000,000 man hours of new labor. Thus this one agency accomplished the twofold purpose of providing aid to American citizens and adding stimulus to private enterprise. The W.P.A. has created jobs for over 3,000,000 men and women who otherwise would have been unemployed, and who would have been at the mercy of poverty and degradation. We could go on almost indefinitely, citing to you the accomplishments of this program. It is this stimulation, this aid to business and to the American people that our friends from Redlands would choke off. The alleviation of misery

is a characteristic of this program which we cannot deny and which we must not forget.

The Negative secondly contends that the government's spending program has stimulated business recovery. In 1932 there were no less than 32,000 commercial failures. In 1936, three years after the advent of Pump Priming, this figure had been reduced to 9,000. And it is interesting to note that 9,000 was the lowest figure quoted for business failures since the year of 1922. If so drastic a reduction in business failure took place, does it not indicate the presence of more profitable markets and a general increase in business prosperity? During the first three years of spending and lending, steel and housing construction industries increased production by 400 per cent. Steel and housing construction are basic industries; such an increase demonstrates the efficacy of the government's fiscal policy.

We now turn to the problem of unemployment. According to *Barron's National Financial Weekly*, unemployment was reduced from 14,000,000 in the spring of 1933 to the low figure of 6,000,000 in the summer of 1937. Such a substantial reduction cannot be overlooked, for it too indicates the pick-up in business activity under the stimulus of government spending. But most important of all is the outlook for the future. From *NewsWeek* of January 2, 1939, I quote the following: "Johns-Mansville officials predict that 400,000 new home units, the biggest volume since 1929, will be started this year." And thus, friends, there is evidence on all sides which indicates that this program

does stimulate business. To close this argument, permit me to read you a quotation from the *New Republic* of May 18, 1938:

If what is meant is that enlarged governmental expenditures, especially if they are based on borrowing, have a tendency to increase employment and business activity, then there is no question of the success of the experiment. Hardly anything is better established than that such expenditures did have a stimulation effect in the United States and elsewhere, and that they always do.

And now we proceed to our third and last issue. The program of Pump Priming has created useful national assets. The money spent has not been wasted: 43,000 miles of new roads have been built, 116,000 miles of roads have been improved, 19,000 new bridges have been constructed, together with 185,000 culverts, 105 airports and 12,000 schools and other public buildings; 10,000,000 trees have been planted, and 1,000,000 persons have been taught to read and write. Again, the list of improvements is almost unlimited. But it suffices to say that the money which has been spent to stimulate business has also created many useful, tangible national assets.

This brings to a close the arguments on behalf of the Negative. We have thus far demonstrated that Pump Priming has resulted in many positive benefits. Our case rests upon three contentions, namely, that the program has alleviated the misery of the depression, that it has stimulated business recovery, and finally, that it has created useful national assets.

Before I conclude, may I illustrate clearly the posi-

tion of the two opposing sides in this discussion. The Affirmative and Negative both admit that permanent and lasting recovery must be fostered by private investment. When the reins of private investment are released, government spending will no longer be necessary. But we cannot cease to spend now. Because of the war scare in Europe, because of the coal strike which has shut down big business in the east, because we have not yet been able to recover from the last depression, business is not able now to assume the load alone. To withdraw spending now, to cancel government aid at this time would be as evil as throwing a curved ball to a batter who already had two strikes, or as unfair as kicking the crutches out from under a cripple. The question is not should we ever, but when can we afford to stop this program of government aid. We submit that the time is not now ripe, but that we must see business through until it can of itself take over the industrial burden.

**Second Affirmative, Carl Burness
University of Redlands**

MR. CHAIRMAN: Allow me to return your minds, if I may, to the opening moments of this discussion when my colleague presented the basic stand of the Affirmative team. That stand, quoting him, was: "Pump Priming has accomplished all that it has the faculty to accomplish and this end of accomplishment is not recovery." Mr. Barton countered amazingly enough in his first argument that "Pump Priming was never

meant to start a permanent and lasting recovery," and continued to point out that it was designed only for stimulation. There the gentleman has grasped the point and crux of this debate, Pump Priming was designed only to secure stimulation, but stimulation is not enough. We will have accomplished nothing until we have a permanent and lasting recovery. Because, as the Negative speaker has so ably pointed out, Pump Priming can give us nothing more than stimulation, we are demanding that the United States cease this policy.

Mr. Barton criticized two of my colleague's points. First, in regard to the matter of the changing opinion toward the spending program, he remarks, very evidently without knowledge of the facts, that the poll of the public at large was not a poll which sampled all the strata of society. The poll we quoted was that of the American Institute of Public Opinion, notable for its accurate predictions, and in particular for that of the 1936 election. This poll sampled voters of all economic and social groups and its evidence on this particular question is ample proof of the changing public opinion. Second, concerning my colleague's criticism of the Pump Priming program on the grounds that it can do permanent harm to our political and economic structures, Mr. Barton maintains that we are setting up machinery to prevent an uncontrolled boom and objects because the Federal Reserve organization already does this. May I point out that we are making no attempt to control a boom. We wish only to secure a boom in a permanent and constructive form; then we can worry

about controlling it. The answer does not apply to our case.

Now for a point by point analysis and refutation of the Negative case. Mr. Barton claims certain positive benefits as a result of five years of unprecedented spending. The first he indicates is the H.O.L.C. which has been, as my colleague pointed out, a hindrance rather than a benefit to private investment, which could have done the work equally well. Secondly the W.P.A., the most scandalous, politically manipulated, and costly relief agency in the history of our nation is upheld as a benefit because it gave jobs, jobs which were "made work" and did not in any way aid the productive demands of American industry. Finally, the F.H.A. is lauded because it has not "spent a nickel of the government's money." This is in direct defiance of the federal budget which lists appropriations of from 175 to 300 millions of dollars each year of the Roosevelt administration for no other purpose than to finance the F.H.A.

The second point of the Negative case is remarkable in that it points out that Pump Priming has "actually stimulated business recovery." After the expenditure of 19 billion dollars crammed into five short years, we are asked to believe it an accomplishment that a certain amount of stimulation has resulted. Of course there has been stimulation, it was inevitable, but there has been no adequate correlation between the amount spent and the results achieved. There has been no real value received because the gentlemen cite as "possibilities of recovery" only the fact that more

"home units" are being built, financed, and paid for with federal funds in direct competition with private lending agencies. This is no assurance of recovery, but only of continued artificial stimulation.

Thirdly: The "useful and tangible assets" created by government spending are pointed out, such as new roads, old road repairs, bridges, dams, schools constructed, and trees planted. If there was a need for these various projects, they could have been done for the purpose for which they were actually intended, that of improving bridges or roads or dams; the gentlemen as yet have offered no excuse for these constructions being done under the costly and wasteful guise of "stimulating business." If we need bridges and roads we can build them as bridges and roads; we need not throw away money supposedly to aid business. The construction of these necessary public works would be in no way hindered by the cessation of wasteful Pump Priming spending.

Thus each basic point of the Negative case has been met and destroyed, and we proceed to the remainder of the Affirmative constructive argument. My colleague established the basic stand of the Affirmative, that "Pump Priming has accomplished all that it has the faculty to, and this end of accomplishment is not recovery." With this premise, he proved the following points: First, that Pump Priming has given us artificial stimulation but cannot give us recovery. With this he illustrated the dilemma of the flotation of bonds with which we attempt to secure funds to aid business but which actually destroys private investment.

Second, the change in attitude on the part of Congress, the people, and business renders the plan invalid even if it were practical. Third, Pump Priming is not only impractical and invalid, but its continuaton may do permanent harm to our economic and political structures.

Both sides agree in this debate that recovery can be secured through reinvestment in private industry. Every depression in our modern economic history has been ended by one thing: the development of new industry. The depression of 1921 was ended by the development of automobile manufacture. Others have been ended by the development of industrial mechanization, rural mechanization, the electrification of industry, and the railroad industry. There is ample room for investment in new industry now. There are waiting to be developed such industries as the casein industry, prefabricated housing, rayon, nylon, television, air conditioning and the glass cloth industries.

There is room for investment in these new industries and this investment can be secured by a practical two-fold program: first of all we must cease spending, in order to gain the confidence of business. Business has continually asked for cessation. They refuse persistently to cooperate with Pump Priming and they have assured the nation that they themselves will spend if it is stopped. The National Association of Manufacturers and the United States Chamber of Commerce have both guaranteed to employ from three to eleven million men when public spending is stopped.

Secondly: We must adjust the tax structure so as to aid new securities issues. New industries come into

being through new securities issues, but at the present time, a higher tax is placed upon new stocks than upon government bond or private bond issues. There is no longer a danger of watered or worthless stocks because of the restrictions of the Securities Exchange Commission. Therefore, this tax structure can properly be adjusted to make the issuance of new securities attractive and profitable.

We believe as well that relief can be handled more adequately by state and local agencies than by the unwieldy national political agencies. Glenn Frank points out that the need for national relief organization has passed. It was a hasty emergency improvisation and cannot be adapted to long time conditions. In addition the National Economy League points out that while state relief averaged only thirty dollars a month per person for those supported only by the state and local agencies, the cost in the various national bodies was from seventy dollars per person in the W.P.A. to one hundred ten dollars in the C.C.C.

Thus, because we offer a practical, valid, and workable twofold program for securing private investment, and because we show that national relief can be ended and something more desirable substituted, we earnestly advocate the adoption of the Affirmative case.

Second Negative, Clifford E. Royston
University of Southern California

MR. CHAIRMAN, GENTLEMEN OF THE OPPOSITION,
LADIES AND GENTLEMEN: At this stage in the debate I

find that both sides are in accord upon one fundamental contention, that Pump Priming results in stimulation, not recovery. But, as Mr. Barton pointed out, that is the purpose of Pump Priming. It was not, and is not, intended to bring recovery unaided. Its purpose is to stimulate business activity to the point where normal economic factors can act to stabilize and continue recovery. Private business must bring final, complete business recovery, but only by the use of public funds can business activity be stimulated to the point where this will be possible.

Mr. Roskam, you will remember, first maintained that by issuing bonds the government absorbs private capital, hence preventing recovery. Mr. Burness repeated this statement. These bonds are mainly absorbed by the banks, where they may be used as the basis of additional bank credit. Thus the credit structure may actually be expanded by floating bonds. This is borne out by the fact that today excess reserves of the Federal Reserve System are higher than they have been in many years.

The alleged change in the attitude of the people, which was the second point advanced by Mr. Roskam, is negated by the simple fact that in the November elections a substantial Democratic majority was returned to the House of Representatives.

The final evil which Mr. Roskam ascribed to Pump Priming was the destruction of our political and economic structure. "Why look," he says, "the F.H.A. is competing with private banks, preventing the investment of private capital." Here again a trenchant eco-

nomic fact has been ignored—that the F.H.A. does not lend a penny of government money, but merely guarantees loans by private banks of private capital. Thus it acts to stimulate rather than to hinder the investment of private funds.

To solve all of these evils, Mr. Burness has advanced a plan for the reinvestment of private capital. Most of this plan is immaterial to the debate; we are ready to allow Mr. Burness to change the tax structure to his heart's content; we are even willing to allow him to return the administration of relief to local governments. As the Minority Report of the House Committee on Appropriations pointed out in May, 1938, however, even if relief is returned to local governments the Federal Government must continue to bear the brunt of the cost. Thus it continues to be the use of public funds under the terms of the question. As to the major contention of Mr. Burness that if Pump Priming were discontinued, private industry would immediately reemploy some 3,000,000 men, that, I am afraid, must be classed under the category of wishful thinking. There is nothing to indicate that such is within the abilities of business at the present time. In fact, there is much to disprove this. In 1937 we had, after three years of Pump Priming, stimulated business tremendously. Unemployment was down to 6,000,000, the national income had almost doubled, and private reinvestment had increased some twelvefold from the 1933 levels. Then it was that we decided that private business could shoulder the load unaided, and so we curtailed government expenditures very rapidly. The

result was a collapse from which we are still recovering. We have not, however, reached the levels of 1936, levels at which business was unable to carry the load. It thus seems plain that business certainly could not carry the load today. So it is that we of the Negative maintain that we must continue Pump Priming if we do not wish to see American business collapse under a burden which it cannot at the present time carry.

Mr. Barton pointed out that certain positive benefits have been derived from Pump Priming—it has alleviated the misery of the depression, it has improved business conditions, it has created useful national assets. These stand at this time in the debate.

In continuing the constructive argument I should like to point out that the continuation of Pump Priming is justified, first, because it has substantially increased the national income. In 1929 our national income stood at \$80,000,000,000. By 1932 it had dwindled to \$38,000,000,000. Those were the days when it was said that the only profitable business left was the manufacture of red ink. Those were the days when gloom and despair were everywhere, and when one more than occasionally heard dark ominous hints of revolution. Into this picture was injected the factor of Pump Priming. For four years the national income steadily rose, until in 1937 it amounted to \$69,000,-000,000. Then, you will remember, we curtailed spending. During the debacle which followed the national income dropped to \$65,000,000,000 in 1938. Now that we have started to prime the pumps once again, the national income has resumed its upward trend. Yester-

day the President told Congress that Pump Priming would this year amount to some \$70,000,000,000. We see that by the use of public funds the national income has been tremendously increased, thus benefiting every citizen and every businessman.

We maintain that the continuation of Pump Priming is justified, secondly, because it has not unduly increased the public debt. I realize that to many sincere citizens, willing to admit all of the benefits which have accrued through the use of public funds, one great objection still stands—the national debt. It has even been said that the red menace no longer emanates from Moscow, but now centers upon the books of the Treasury Department. It cannot be denied that the debt is a very serious problem. To deny that would be like trying to deny the existence of an elephant peacefully browsing in your back yard. There are, however, several aspects with regard to this debt which we ordinarily fail to consider. Let us assume that the year 1932 found us with debts of \$2000 and an income of \$3500. By borrowing we have increased that debt to \$4000, but at the same time we have increased our income to almost \$7000. Under the circumstances we would say that our borrowing had been justified, indeed it had been beneficial. We could repay our debts far more easily than before, and at the same time have a higher standard of living. That is the precise position in which the nation finds itself today. In addition, government credit is stronger than ever before. Thus, although the debt is a serious problem, it is not

of such magnitude as would justify the discontinuance of Pump Priming.

In our constructive arguments we have demonstrated: first, that Pump Priming has resulted in positive benefits, because it has alleviated the misery of the depression, because it has improved business conditions, and because it has created useful national assets; we have demonstrated, secondly, that the continuation of Pump Priming is justified, because it has substantially increased the national income, and because it has not unduly increased the public debt.

Both sides in this debate are agreed upon the one issue that private investment and private industry must effect the final and complete cure for our economic ills. We disagree as to whether business can unaided accomplish that task today. The Affirmative asks that we set business adrift and allow it to solve its own problem as best it can. We of the Negative ask that we continue to aid business until it is not only willing, but actually able, to carry the burden. The recession of 1937, the experience of the last five years, make manifest the fact that to cease today would merely result in another recession. Let us not repeat the error of 1937. Ladies and gentlemen, we ask that you join with us in advocating the continued operation of a policy which can and will lead America back to economic stability and prosperity.

First Negative Rebuttal, William Barton
University of Southern California

MR. CHAIRMAN, LADIES AND GENTLEMEN: Now comes the time for the rebuttal. I do not believe that Mr. Roskam and Mr. Burness will complain if we take the opportunity of striking their case a couple of blows. Let us take the arguments put forth in the order of their presentation. The first offering of Mr. Roskam reads as follows: Pump Priming has accomplished all it can accomplish. The fact that it only stimulates and does not promote recovery, is answered by the fact that the purpose of a spending-lending program is one of temporary stimulation. Permanency is not an issue in this debate. The stimulative value of the program, however, is extremely beneficial until long term recovery is possible. Likewise, under Mr. Roskam's first major allegation, is the contention that the sale of government bonds hinders the investment of private capital. Such, I am happy to say, is not necessarily the case. The issuance of government securities expands the credit structure of our banking system. Large amounts of capital are thus made available at very low rates of interest. Government bonds and the securities of private institutions possess entirely different characteristics, and they are purchased by different classes of investors for entirely different purposes. The conclusion is that the reasons and evidence offered by the Redlands team do not substantiate their argument that Pump Priming has accomplished all it can accomplish.

The Affirmative's second contention states that a change in attitude has rendered the plan unworkable. Here we must distinguish between desire and necessity. Personally, a pair of wings would be of great value. But I do not have a pair of wings and I do not see any chance of getting a pair in the near future. So do we all want to stop spending. The whole country would be happy if we could stop spending, and many of our citizens are willing to express that desire in the form of a vote. But how many of those persons wanting economy have a quick, easy substitute for Pump Priming that can aid business until business can help itself? Our fiscal policy today cannot be determined by whimsical desire; it has to be determined by the necessity of circumstances. And since these circumstances make a continuation of spending highly necessary and beneficial, the second Affirmative argument will have to go unsold for want of a higher bidder.

Next our friends tell us that this Pump Priming program may do permanent harm. If such is the case, the evidence which they have offered falls far short of proving such to be a fact. For in answer to their claim that an uncontrolled boom might develop, the Negative has already pointed out that a contraction of credit by the Federal Reserve Board can wipe out any loose expansion which may have preceded. A boom large enough to nullify efforts toward credit contraction develops over a period of years; a boom does not arrive with such rapidity that the Federal Reserve Board Governor has to get out of bed in his nightshirt to increase collateral requirements. Should a boom

come in the future, credit control will be an easy matter. You will recall once again that the Federal Housing Authority is merely guaranteeing loans which are made by private financial institutions. The Government spends nothing and the banks get rid of their surplus funds. The Redlands team first tells us that the program costs too much and that it hinders private investment, and then they turn around and condemn an agency which doesn't cost a cent outside of administrative expenses and which stimulates the movement of private surpluses. It now becomes quite evident that this program is doing no permanent harm and that the third issue presented by Mr. Roskam is doing our Negative case no harm.

Turning to the case of Mr. Burness we find nothing with which we are able to disagree. He presented only one issue which said that recovery could be achieved by private investment. How can any one deny such a truism? When private investment has been generated there will no longer be a need for government aid to business. But where is the private investment? If we stop now, have we any guarantee that business will not take a nose dive as it did in 1937? With the war scare in Europe playing havoc with the stock market and almost daring business to take on a long term commitment, with a coal strike raging which has thrown over a million and a half workers out of employment, can we say that this is the time to quit? The truth is too clear to be disputed. Business is in no condition to have any support the government is able to give it withdrawn at the present time. There is no field for

business expansion and long term commitments today. In the near future it is almost certain that business will move forward with great momentum. When it does there will be no danger in a cessation of spending. *That* is the time to quit. Let us await this time until the move is opportune and not disastrous.

And now, ladies and gentlemen, all of the four major contentions of the Affirmative team have been answered. It remains for the next speaker to either admit this by his silence, or else to resubstantiate his first case in the light of our attack upon it. Until our final rebuttal, we relinquish the platform to our adversaries.

**First Affirmative Rebuttal, William Roskam
University of Redlands**

FRIENDS: I have been given a choice, that of keeping silent and admitting the Negative's refutations of our arguments, or of speaking and resubstantiating them. The first choice was obviously an idealistic hope, which I am afraid I shall have to shatter.

In resubstantiating the case of the Affirmative I need only to study the validity of the objections to our arguments. In dealing with the first issue—Pump Priming does not bring recovery—I need only to remind the Negative that they agree with us. Agreeing with an argument is rather an odd way to expect it to be removed from the debate.

In answering my second issue, Mr. Barton blandly made the following statement. "It may be said that these polls do not always reach all strata of society and

that those who receive the most benefits from such a program may never cast a vote.” Interesting, yes, but unfortunately Mr. Barton did not bother to prove this statement. May we remind him that the American Institute of Public Opinion has so far been guilty of no mistakes whatsoever and that their survey includes all classes of people. Again Mr. Barton said, “When the entire populace voted in 1936 and in 1938, it returned a substantial majority of those public representatives who favor and who defend the plan we are debating today.” And this statement is made with the hope it will be accepted as true, when all we have to do is remind him that Mr. Roosevelt’s “purge” was noted for its complete failure.

May I at this time point out, even granting validity to his attack on the second issue, that he was careful not to attempt to refute the other two-thirds—change in attitude on the part of Congress and change in attitude on the parts of big and little business men. The issue was attacked in one-third of its presentation and that in a manner clearly one of wishful thinking.

In bringing the third issue, as I presented it, back into this debate may I repeat it. Not only is the plan impractical and invalid but its continuation may do permanent harm to our economic and democratic structures. In supporting this I stated that business feared the consequences of a boom for which the government could take credit. The attack of the Negative has been directed at answering the fear of an uncontrolled boom. So either by mistake or inability to answer the original contention we find that it stands. In stating that the

alphabetical agencies are actually stopping private investment, may I say this: if the F.H.A. spends no money, then it is not within the confines of the question. We of the Affirmative believe that when Congress continually allots money to the F.H.A. they spend it, at least they get rid of it. So, either they spend no money and are not within the question or they do spend money and they have no right to, according to the gentlemen of the Negative.

In the constructive case as presented by Mr. Barton and Mr. Royston and in the rebuttal just presented by Mr. Barton, further attacks and contentions have been made which I shall answer at this time. In contending that we have had positive benefits from Pump Priming, the Negative omitted one important thing and we must force them to include that by a question: What was the relative price of these benefits, and in the light of their costs were they worth while? To answer the issue that Pump Priming has alleviated the misery of the depression, it is only necessary to repeat the question and ask them to realize also that we are not debating whether or not it was a good thing, but we are debating whether it should be continued.

In claiming that it has improved business conditions we need only repeat the first words of the opening Negative speaker, "Its sole function is that of temporary stimulation." The Affirmative has no other choice than to put these two together and realize that these improvements they seek for so bravely are not of a permanent nature. In answering the claim on increased national income, we again need only repeat their words,

that a withdrawal of Pump Priming resulted in a reduced income. Throughout Pump Priming there has always been a correlation between government expenditure and national income; the Negative now has to prove that this correlation will not continue if and when this ephemeral condition necessary for cessation which they champion arrives.

In answering the last contention of the Negative it is only necessary to expose a little debating technique. Their last statement was that government spending has not unduly increased the public debt. May we point out simply that no matter how cleverly they attempt to make an offensive position out of an obvious defensive stand, the facts still show that the debt is increasing at a very dangerous rate. May we point out also that to prove this point they refused to use the figures of the actual debt, but instead tried to prove their stand in an indirect manner using an unsupported hypothetical case.

In summarizing, we have resubstantiated the case of the Affirmative and have answered those objections that the Negative has introduced. Because Pump Priming has accomplished all that it has the faculty to accomplish, and this end of accomplishment is not recovery, let us cease the use of public funds for the purpose of stimulating business.

Second Negative Rebuttal, Clifford E. Royston
University of Southern California

MR. CHAIRMAN, GENTLEMEN OF THE OPPOSITION, LADIES AND GENTLEMEN: When Mr. Barton resumed his seat at the conclusion of his rebuttal he had covered all of the points advanced by the Affirmative this afternoon. In the interim Mr. Roskam has appeared and attempted to reestablish some of these contentions. It, therefore, becomes necessary to consider them once again.

First, Mr. Roskam has brought this matter of the F.H.A. into the discussion again by saying that since it does not use government funds it does not come under the terms of the question. Now, gentlemen, it was Mr. Roskam who first introduced the F.H.A. into the debate. We certainly cannot be blamed for making the most of our opportunity. In any event, the F.H.A. does use credit, hence it does come under the terms of the question.

The Affirmative has adopted as a major thesis that Pump Priming has given only stimulation. We agree completely, as we have done all during the debate. But that is its sole purpose. Business must bring the final stable recovery. Pump Priming can, by stimulation, make that recovery a possibility. You will remember that under this point the Affirmative developed the contention that the issuance of government bonds deprived industry of badly needed private capital. We have demonstrated that, due to the nature of the credit structure, this is not the case. In fact, the diametric opposite

is more nearly the case. It remains for Mr. Burness to circumnavigate this fact in his last rebuttal.

Next, the Affirmative told us that Pump Priming was destroying the political and economic structure of the nation. "It is," they maintain, "preventing the investment of private capital." Now, ladies and gentlemen, it seems to me that the simplest method of discovering the effect of Pump Priming upon investment is to analyze the statistics for the past few years. Instead, the Affirmative has chosen to attempt, through a long and involved line of logic, to demonstrate that private investment must have suffered. The statistics demonstrate the existence of a slight flaw somewhere in this chain of logic, inasmuch as private reinvestment increased from \$386,000,000 in 1933 to \$4,600,000,000 in 1936—this under the baleful influence of Pump Priming. When we curtailed government spending, investment rapidly declined, sinking to \$1,500,000,000 in 1938. It is plain that, as business conditions improve with the expenditure of public money, private investment also increases. If, in the face of these statistics, Mr. Burness can prove that Pump Priming destroys private investment, he is entitled to at least a Ph.D. degree.

The final point in the Affirmative case was the plan for recovery. As we have pointed out, we are amenable to all except one section of the plan—the statement that business can shoulder the load at the present time. This we have demonstrated to be thoroughly improbable. "Well then," says Mr. Roskam, "when will business be able to take over?" Well now, unfortu-

nately, I forgot my crystal ball today. Seriously though, this much is plain: that if we had not curtailed spending in 1937, we would have sound recovery today. We must exceed the 1936 levels, bring unemployment down to a more normal figure, and further increase the national income before we can stop government spending. Not until we have accomplished these things will we be able to stop without suffering another disastrous collapse.

Once again the entire case of the Affirmative has been considered. Let us now briefly review the arguments of the Negative. Our first contention was that Pump Priming has resulted in positive benefits because it has alleviated the misery of the depression, because it has improved business conditions, and because it has created useful national assets. Against this the gentlemen have maintained that it is unfair to use 1936 figures. As we have pointed out, the reason for the current state of these indices is to be found in the cessation of spending which occurred in 1937.

Our second contention was that the continuation of Pump Priming is justified because it has increased the national income, and because it has not unduly increased the public debt. On this point both Mr. Roskam and Mr. Burness maintained a discreet silence, presumably being in accord with our views on these matters. Thus it remains for Mr. Burness, in closing the debate for the Affirmative, to reset his own case and refute that of the Negative, which has now been reestablished.

The prime issue in this debate, as in all debates on

this question, is simply this: can business continue unaided at the present time? With the historic tragedy of 1937 in mind, there can be but one answer. We hope that you will agree with us in determining that if we are ever to have sound economic recovery in the United States, we must continue to support business until it can actually support the national economy.

**Second Affirmative Rebuttal, Carl Burness
University of Redlands**

LADIES AND GENTLEMEN: I am, as Mr. Royston has indicated, about to earn the degree of Doctor of Philosophy; but not by the method of a "long and involved line of logic" of which I have been accused. As to the actual increase in private investment which the Negative maintains has occurred, let us examine plain figures. We have spent nineteen billion dollars. Investment at the most has increased, according to Negative figures, some four billion dollars. Thus we stand the losers to the tune of some fifteen billion dollars. This is not sound nor even reasonable finance. Next, as to the fracas of 1937 which Mr. Royston claims has shattered the beautiful illusion of Pump Priming, the Negative maintains that the cessation in 1937 destroyed all the benefits of Pump Priming, and that what happened in 1937 will occur again if we should cease. This is not true for a number of reasons. First, we did not cease spending in 1937. Appropriations were merely curtailed one-fifth, but we gave business no substantial assurance that we intended to stop wasting public

money; rather the President evidenced that he intended to begin again where he left off if he did not feel that things were absolutely as he desired them.

Conditions are not the same now as they were in 1937. We now have a stable and permanent government spending policy directed toward national defense, pensions, social security, and unemployment insurance in both state and national governments, the effect of which has not yet been fully felt and which will eventually usurp whatever place Pump Priming may have at present. Therefore, if we cease now in a final way, not hedging one-fifth of the way as we did in 1937, business will reinvest realizing that the burden of Pump Priming will be borne by the new and permanent policy of governmental spending. Business has guaranteed that it will invest if Pump Priming stops; but we must stop definitely and finally, not merely reduce appropriations.

The Affirmative has established and maintained throughout this debate a basic fundamental case which still stands in the face of criticism and opposition. First, we showed that Pump Priming has given us stimulation but cannot give us recovery. This has been reiterated in the statistics given by Mr. Barton and admitted by him as well. As to the dilemma of the huge bond issue which my colleague showed to be existent, the gentlemen of the Affirmative claim this was answered in Mr. Royston's first speech. As for the circumnavigation requested by the gentleman, this is not necessary. We will meet the point directly, destroy it, and proceed to the next.

Mr. Royston said that the credit structure will not allow the sort of situation we pictured and cited the fact that today, to quote him: "excess reserves of the Federal Reserve System are higher than they have been in many years." The very fact that these reserves, which consist of cash, bonds, securities, and credit are higher, as any bank report will show, merely substantiate our point that credit is not being used; it is being stored in the Federal Reserve banks in the form of government bonds. Excess reserves are not being used for investment. They are stagnant funds defeating the purpose for which they were created. Thus Pump Priming is wrong in principle and can accomplish only stimulation, not recovery.

Secondly: we have proved that a change in attitude renders the plan invalid even if it were practical. The only criticism of this point was to condemn the polls used by my colleague. This criticism has been proved false. These polls by Mr. Gallup are known to be the best possible evidence of public opinion. Another criticism by the opposition was that the people returned a Democratic majority to Congress. But this majority was drastically reduced, and in particular cases every attempted "purge" of Mr. Roosevelt's was defeated. Besides this, the supposed loyal majority itself slashed the appropriations for even the relief agencies of the spending program, thus again indicating the definite attitude of Congress and the people against the present spending program. The gentlemen have not once even mentioned the opposition of business as a whole to this program. No matter how good this idea might be in

theory, it can never work out in the face of business opposition. Business must cooperate and it is not doing so. Thus the plan is not only unsound in theory, but it is invalid in practical application.

Thirdly: the plan is not only impractical and invalid but its continuation may do permanent harm to our political and economic structures. Never once have the gentlemen denied that business fears the consequences of a politically controlled boom for which the government could take the credit. The various agencies of the spending program are politically dangerous and undesirable from that standpoint. Their only question has been directed at the F.H.A. which was cited under this point. In regard to this quibble, allow me once again simply to repeat the question for debate: "Resolved, that the United States should cease to use public funds (including credit) for the purpose of stimulating business."

First the Negative maintains that the F.H.A. did not use public funds and thus was out of consideration. My colleague obligingly enough followed suit and threw the point out of the debate. The Negative again complained because they said the F.H.A. uses credit. So now I will again reverse position following the lead of the opposition and debate again as they wish. The F.H.A. does use public funds because there is every year an appropriation for that agency in the federal budget. I showed this in my constructive speech, so there was really no need for the quibble of the opposition. My colleague showed that regardless of whose money is being loaned, government credit as the Neg-

tive says, is being used and this creates exactly the same physical effect of defeating the use of private credit in the housing industry. Thus the F.H.A. is an undesirable agency and should be discontinued.

In my constructive case I showed the need for investment not only in existing industries but in new industry, as the channel by which we have ended every previous depression. The method is again available under the twofold program of the Affirmative. The Negative has offered no way of securing investment in new industry. This is not occurring now and cannot occur under the Pump Priming program. The Affirmative has offered a definite, practical, and workable program to secure that investment. First, we intend to cease government spending and second, to adjust the present tax structure so as to make the issuance of new securities desirable and profitable. This the Negative agrees is a good idea, and favors it. In addition we pointed out that relief could be more adequately handled by state and local agencies. This has not been questioned by our opponents.

Finally, in the closing moments of this debate, having reviewed and finally established the case of the Affirmative, allow me to return to the note on which I began my constructive argument, Mr. Barton still insists that we are trying to prevent an uncontrolled boom. Allow me to repeat again: we have never even mentioned such a thing in this debate, we fear no such boom, especially under the everlasting deluge of wasted funds encouraged by the Negative. We are interested merely in securing a boom, the problem of control will

follow very naturally. We have offered a practical program to secure the investment which will make that boom possible. The Negative has offered only a plan proved to be impractical, invalid, and dangerous.

It is the obligation of the Affirmative in any debate to offer a stand, establish a case, prove it, and maintain it. The Negative has the equal obligation of meeting the stand and case of the Affirmative and of establishing constructive material of their own. This the Negative has not done. We set the ground for argument in our first constructive speech when we offered our fundamental stand: that since Pump Priming has accomplished all that it has the faculty to accomplish and this end of accomplishment is not recovery, it should cease. The Negative has not met this. They have merely reiterated it; therefore, they do not have even a *prima facie* case. We realize that stimulation has been accomplished, this is an accepted fact and we cannot ignore it, but no recovery has been achieved. We want recovery; Pump Priming admittedly is by its very nature not set up to give lasting recovery, therefore, it should be scrapped.

The basic stand of the Affirmative is still before us unsullied and untouched, only strengthened by Negative admission and argument. Thus we submit that the United States should cease to use public funds for the purpose of stimulating business.

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UNIFORM RETAIL SALES TAX

One Hour Radio Debate

BAYLOR UNIVERSITY AFFIRMATIVE *vs.* UNIVERSITY OF
TEXAS NEGATIVE

In a one hour debate, which is the usual time for an intercollegiate debate, but exceptional over the radio, Baylor University and the University of Texas met on March 23 at Austin, Texas, to discuss the merits of the Retail Sales Tax over Station KNOW. This question was the State High School League question for the season of 1938-39, and this particular debate was sponsored by the Oratorical Association of the University of Texas. In order to get the manuscript, the debate was taken by electrical transcription and later taken off the record by shorthand and transcribed. It was then revised and edited.

The speeches were sent in to *Intercollegiate Debates* by Professor Glenn R. Capp, who is director of forensics at Baylor University.

The question was stated: Resolved, that Texas should adopt a uniform retail sales tax.

UNIFORM RETAIL SALES TAX

First Affirmative, Frank Rosson
Baylor University

MR. CHAIRMAN, LADIES AND GENTLEMEN OF THE RADIO AUDIENCE: As the Chairman told you, our subject for debate is that Texas should adopt a uniform retail sales tax. I believe the term retail sales tax should be self-explanatory without the need for further elaboration.

We of the Affirmative would like, first of all, to make a general observation as to the relationship between government and people. Approximately ten years ago the relationship between government and its people was a very detached and impersonal relationship in which the people expected little of their government in the form of actual personal benefits to them. They were content to accept the government's roads, to accept the government's schools, to accept their courts, to accept their law enforcement officers. The result was that there was a very detached, impersonal relationship and conception which the people had of the function of their state and federal governments. However, during the past ten years there has been a marked change in that which the people are demanding of government, and today we have the situation of the people demanding more and more from state and federal governments. For example, ten years ago old age pension payments was a

mere theory in someone's mind. Today it is an actuality. Ten years ago actual relief payments in this state was a mere theory in someone's mind. Today it is an actuality. Today we have the state of Texas paying old age pensions. We have the state giving unemployment insurance and providing agencies for securing employment. The state works with the Federal Government in C.C.C. camps and in relief. The result has been this—there has been a marked change in the conception which people have of the functions of government. Many of the people of today are receiving actual cash in the form of old age pensions. They are receiving actual food; they are receiving actual clothing; they are receiving actual personal services from their state and federal governments.

And so with that observation we lay the foundation for this debate—that during the past ten years there has been a marked change in the attitude, in the relationship, in the conception, which people have of the functions of government.

It is our first contention, therefore, in this debate that because there has been this marked change in the attitude of people toward their government, that there has arisen a need for additional revenue in the coffers of the state of Texas. For example, our present legislature is figuring on old age pension payments totalling from fifteen to twenty million dollars. According to Mr. Claude D. Teer, of the Texas State Board of Control, we will need approximately \$500,000 for relief purposes. The teacher retirement fund needs a half

million dollars; for aiding dependent children, we need a million dollars.

In addition to these new and personal functions which the state government has taken over, we see that the orthodox functions of government such as providing schools, roads, courts, and law enforcement officers are increasing in their demands; for we have today an ever growing deficit of some fifteen to twenty million dollars in our state general fund. According to Mr. L. A. Woods, Superintendent of Public Instruction in the State of Texas, public schools need some eleven million dollars more per year.

Thus in all we see a present day demand upon the state of Texas for about thirty million dollars additional revenue to pay the actual expenses for which the state government has obligated itself. We contend, therefore, because of the changed concept of the relationship between people and government, and because there is a need for additional revenue, that the state of Texas must take steps to increase the public funds.

Economists tell us that there are four basic and accepted types of taxation: property, business, income, and consumption. Take the first: looking for a moment at our taxable base of property in the state of Texas, we see that this base is paying today approximately 10 to 12 per cent of the revenue received by the state of Texas. As a base it has been producing on the average of a million dollars less per year as a source of revenue. We see, furthermore, that some states have abolished in whole or in part the taxable base of property. Today, the Governor of Texas has said that we ought to

abandon the taxable base of property by abolishing the ad valorem tax; and that at least we ought to lower the property tax in the state. And so we submit for the debate the idea that we cannot place the additional tax burden upon the taxable base of property.

The second taxable base is that of business. We see, investigating this, that the business firms of the state of Texas are paying into our state coffers 19 to 20 million dollars each year in the form of gross receipt taxes. We see on top of this that there are some fifteen major federal taxes on business. John Marshall tells us that the power to tax is the power to destroy. Additional taxation upon the business firms of the state of Texas will, in a certain measure, destroy that taxable base.

There is the taxable base of income. Our contention against the taxable base of income is this—that this base has been largely taken over by the Federal Government in assessing personal income taxes, and because of this, we could expect but a small amount from a personal income tax in the state of Texas.

There is then left the fourth taxable base, consumption, and here is where this debate, I believe, will center largely. Ladies and gentlemen, there are, first of all, two conflicting theories of taxation brought forth by adopting the base of consumption. One of them is that a man should pay taxes according to his ability to pay them, and the second, that he should pay them according to the benefits which he receives from his government. Now we have adopted in our tax system to a large extent the first theory of ability to pay. It shall

be our contention during this debate that we should incorporate into the tax system the ability to pay theory and the benefits received theory and give to Texas a well-rounded taxation system.

We shall agree at the outset of this debate that a retail sales tax is a regressive tax, which means simply this: that the retail sales tax will demand more proportionately from a man's income than does the income tax; that a regressive tax will demand more proportionately from the low income group than it does from the higher income group in our state of Texas; but our contention is that such would not be excessively regressive.

And so this forms a foundation for our Affirmative discussion in this debate this afternoon: that there has been a change in the conception of government and of the conception which the people have of their government; that because of this change, because of these new, personal, intimate functions and relationships between government and people, we need other sources of revenue—which we say should be a retail sales tax.

First Negative, Beall Dean
University of Texas

LADIES AND GENTLEMEN: We are indeed happy to be debating with the gentlemen from Baylor this afternoon. We hope that perhaps at some future date we may again have this pleasure.

I noted that the gentleman, Mr. Rosson, who just preceded me, told you of certain obligations which the state owed Texas citizens. He has undertaken to tell

you that the additional revenue that would be required by those obligations would constitute a need for the retail sales tax in this state. In addition we note here a fundamental misconception on the part of the Affirmative, and we wish to point out this misconception by emphasizing this one point for you: the state might conservatively spend all of this money—this thirty million dollars that Mr. Rosson said was needed—for a good purpose; they might even spend three or four times this amount for good and profitable purposes. But that isn't the point. The point is this: that the Affirmative in this debate must establish a need for the thing that they advocate, and the gentlemen of the opposition here this afternoon are not advocating a need for old age pensions; they are not advocating a need for teacher retirement; they are not advocating a need for any of these phases of the social security program. They are advocating simply one thing—the retail sales tax, and we say that the gentlemen must establish proof of the need for the thing that they advocate, the retail sales tax, by showing that it is desirable or undesirable here in the state of Texas in regard to the needs of our economic set-up.

Now, just what is that economic set-up that I spoke of? Today in Texas one-third of our population lives on an income of less than \$400 per year. Two-thirds of the people of Texas live on an income of less than \$1000 annually, and at the same time that same two-thirds of the population have three-fourths of the children to support. Now, because of this fact, we realize, as the United States Bureau of Census pointed

out, that the average amount available per person in a family typical of this class—this two-thirds of the people or four and one-half million of the people of Texas who are living on this subsistence level—the average amount available per person is eight dollars a month. In other words, the head of such a family must feed and clothe and shelter each member of his family on this mere \$8.00 a month. He has no chance to lay aside or save from his meagre income any surplus that he might use should an emergency arise. He cannot provide against sickness or injury. This man and his family are living on the *subsistence level*. Four and one-half million of the people in the state of Texas live on this subsistence level. They are limited in their purchases to those necessities of life which they must *have* in order to continue their day to day existence.

In view of the economic situation today, is there a need for the sales tax? We have pointed out that it is the fundamental duty of the Affirmative to answer this problem. We say that, instead of relieving this situation of the two-thirds of the people living on the subsistence level, the sales tax merely intensifies that set-up. George C. Hestner has told us that 80 per cent of all state tax revenues today are sales levies; Carl Schultz, Professor of Economics at Columbia University, has pointed out that sales levies have always been the burden of the common man. Then it is revealed that two-thirds of the people of Texas are merely having an *additional* burden placed upon them by the retail sales tax because at the present time they are

paying the great majority of 80 per cent of all our taxation revenue in this state.

The retail sales tax, it is revealed then, is merely an additional load upon this group that we are striving to help. Now because of that fact, because of the fact that the "sales tax," as Harold Ickes, Secretary of the Interior, declared, "bears even less upon those able to pay," then we may conclude that this tax survey committee created by our Forty-Second Legislature was correct in declaring the sales tax "the most successful tax upon poverty that has ever been invented."

In view of the fact that there is no need for the retail sales tax here in the state of Texas, we must turn to some sources that will relieve the poor man, that will relieve that class of people who live on the subsistence level, that will take the tax burden from their shoulders. The *Twentieth Century Fund Bulletin* of New York pointed out last year that the income tax method might accomplish this, when, after making a two-year survey of the nation's tax sources, they recommended a widespread repeal of the retail sales tax and the placing of increasing reliance upon the income tax. Now we ask the gentlemen of the opposition why couldn't we adopt some plan of income tax here in this state similar to that of the New York plan? Carl Schultz said that it is probably the most equitable plan in the nation, that last year the New York income tax brought in 120 million dollars.

When the natural gas industry last year made 100 to 255 million dollars in net profit and paid the state of Texas only \$200,000, then we say that here we have a

surplus of income that we can tax; and, gentlemen, we ask you why can't we tax our natural resources more than they are being taxed at the present time? We point out that 90 per cent of all profit upon natural resources in the state today goes outside of the state, that two-thirds of our natural wealth is owned outside of the state. We point to the fact that John Eyes, Professor of Economics at Kansas University and perhaps one of the best known economists in the nation says, after making a long, searching study of the Texas natural resources situation, that Texas, by use of reasonable intelligence in the handling of her natural resources might make herself a taxless state. Now we say just this: If we imposed a tax advocated by economists of some 8 per cent per barrel upon oil, some 2 per cent per thousand cubic feet on natural gas, some \$3.00 per ton upon sulphur, then we might expect to realize annually approximately a sum of 58 million dollars. Now gentlemen, we say, why can't the state take from these sources connected with the higher income brackets instead of adopting the retail sales tax, which is merely an additional burden upon those who are less able to pay.

Now what have we said this afternoon? We have said merely this: that the Affirmative must establish proof of a real need for the sales tax in view of our present economic set-up, that they must establish proof of a need for the sales tax, keeping in mind the wish to relieve the poor man. We pointed out that the sales tax certainly fails in this respect, that it merely adds another burden to the poor man. We pointed out

two sources of taxation which might be used, that come from the higher income brackets. Because of these facts, gentlemen, we submit that the sales tax is socially unjust, economically unsound, and wholly undesirable in the state of Texas.

**Second Affirmative, Frank Houghton
Baylor University**

LADIES AND GENTLEMEN: Before taking up the discussion opposing the uniform retail sales tax as presented by the gentlemen of the Negative, I would like to continue the Affirmative constructive case.

As you will recall, my colleague pointed out that due to our present conception of government, there is a greater demand made upon the state by the people of the state at the present time than there has ever been in the history of Texas. And my colleague went further to point out that not only do we have a greater demand upon our state government at the present time, but that we have a tangible need of some \$30,000,000 to carry on the work of our state government. He pointed out to you the fact that there is a need of some \$20,000,000 to carry on the work of the old age pension commission. He pointed out that there is, according to Mr. Woods, Texas Superintendent of Education, a need of some \$11,000,000 to carry on the work of the schools here in the state of Texas. He further pointed out that the eleemosynary institutions are in need of about one and a half million dollars, that the teachers' retirement fund is in need of a half million dollars.

It appears that the speakers of the opposition charge that we have not presented to you a need for the uniform retail sales tax. I would like to say in regard to this, that there is a need at the present time for additional revenue. But my colleague went further. He took up the various means of raising the revenue. He showed you that, according to the various economists, there are four possible tax bases. First, the tax of property; at the present time 80 per cent of the revenue of our local, county, and state government is derived from this source. A tax on business would not be desirable because at the present time the businessman and the corporations are bearing an excessive load of our tax burden. I should like to ask the speakers of the opposition if they are not aware of the fact that a great portion of the taxes of a corporation are passed on down to the consuming public. In other words, when you place an excessive tax upon the corporation it merely means that by its prices the corporation passes that tax right on down to the consuming public.

My colleague further refuted the base of the income tax. He pointed out to you the fact that this tax is also considered a tax base for the Federal Government. However, we should like to say that we have no particular objection to the adoption of an income tax. As a matter of fact, just because we are proposing the uniform retail sales tax in order to raise additional revenue, does not mean that we cannot impose other taxes along with this. We simply say that following the procedure of the majority of the states in the Union, the tax on income is a rate of from one to nine per

cent. This rate could only raise some six to seven million dollars. The next speaker said that in New York, which cannot be very well compared to the state of Texas, they receive about \$120,000,000 from this income tax. I should like to point out the fact that during the depression year 1933, New York State received only \$24,000,000. In other words, this form of tax is not dependable.

I should like to further the contention of the Affirmative by pointing out to you just why we should adopt a uniform sales tax. A good tax must have three things. In the first place, it must bring in the required revenue; and we know, according to reports from the treasury department, the uniform retail sales tax would bring in from twenty-five to thirty million dollars. Thus we find that you cannot contest the retail sales tax on the theory that it would not be productive. The second qualification is that of economical administration. According to the Kansas legislature, the administration of the retail sales tax is from 2 to 3 per cent, which is a very low cost of administration. Now it seems as if the only objection which the gentlemen of the opposition have launched against the uniform retail sales tax is that it is a burden upon the poor man. We of the Affirmative are not saying that a uniform retail sales tax is not regressive. We are simply saying that the regressiveness of the tax is not severe, and that the need of the state of Texas at the present time is a need to help the low income group. As a matter of fact, taking figures from the state of Oklahoma tax collection, we find that in the poorer counties of Oklahoma

where there is a 2 per cent sales tax, the poorer families paid in from eighty-five to ninety cents per capita. Whereas, in the wealthier counties of Oklahoma there was an average of \$3.60 per capita. In other words, ladies and gentlemen, we find that the higher income bracket pays the majority of the tax, even though the tax is regressive.

An estimate made in Oklahoma reports that for every one dollar paid out in the poorer counties the poor receive some ten dollars benefit from this uniform sales tax. Now it seems as though the speakers of the opposition are launching the attack on the uniform sales tax in this manner: They say that as we need additional revenue, we can gain the revenue from various other means of taxation. We are discussing here this afternoon the uniform retail sales tax; and if we of the Affirmative can show you why this tax is just and why it would be more practical to adopt than some other form presented by the gentlemen of the opposition, we will be justified in proposing that we should have a sales tax. We are not saying that the state could not gain revenue from any other means than the sales tax, but we do say, ladies and gentlemen, that this is the best means of deriving revenue from the state of Texas.

The gentlemen of the opposition tell us that they can impose an oil tax. At the present time the oil tax in the state of Texas is yielding \$61,000,000. The oil industry pays into the state 53 per cent of the revenue which is collected in Texas at the present time. We do not have a monopoly of oil here in the state of Texas. For example, we find that California ranks second to

Texas in the production of oil. That state has a tax of some \$5,000,000. At the present time we have a tax rate 24 per cent as great in the state of Texas as the tax rate in Oklahoma. With such states as California, Pennsylvania, Oklahoma, Louisiana, and we might include Mexico, all eager to sell oil, is it reasonable that we should impose taxation to the extent that all these states and Mexico, for example, would be able to sell their oil and its products here in Texas? We can tax a single industry too much, and we should like to say that with one single industry here in the state of Texas paying 53 per cent of the burden of your state government already, this is excessive rate on any one industry.

In summing up the Affirmative contentions, we have presented for your consideration the fact that there is a need for additional revenue in Texas at the present time. Here is a tangible need for \$30,000,000. We have pointed out to you after reviewing the four bases of taxation, that it would be a far better policy to derive the additional revenue from the uniform sales tax. We have taken up the idea that this sales tax is unjust to the low income group, and we have shown that the uniform retail sales tax is somewhat regressive. However, by considering this tax in your tax program you have a well-rounded tax system.

Thus we would like to suggest that Texas should adopt a uniform retail sales tax in order to carry on the good work which the state is now doing.

Second Negative, James Hefner
University of Texas

MR. CHAIRMAN, LADIES AND GENTLEMEN OF THE RADIO AUDIENCE: The gentlemen of the opposition in presenting the Affirmative of the resolution—Resolved: that Texas should adopt a uniform retail sales tax—have tried to set up a need for a retail sales tax in the state of Texas, but rather than set up a real need for a retail sales tax in the state of Texas, the gentlemen of the opposition have gone a little far afield and have set up a need for additional revenue in the state of Texas. Now, the gentlemen of the opposition, realizing that they have made this mistake, have come back and said, "Why, we have presented a need for a retail sales tax." They said: "We have substantiated this need because other forms of revenue are objectionable."

Let us look at the income tax and see what the gentlemen of the opposition have to say about this. They say that an income tax is not bringing in the amount of money that we need at the present time, but my colleague has pointed out where, according to New York statistics, reducing them to the revenue in the state of Texas, we can get a \$40,000,000 a year yield from the income tax.

Now let us look at the objections of the opposition in so far as severance tax is concerned. They say that in the first place the oil business should not be taxed more because it is bearing too much of the taxes at the present time; then they turn around and a little later on they say, "Why, we can't tax the oil business because

it will pass those taxes on to the consumers!" Now, gentlemen, make up your minds. Is the oil business taxed too much? Is it going to have to pay too much, or can it pass the tax on to the consumer, and is the consumer going to pay? If so, what of the danger of competition from other oil producing states? Who is going to pay, gentlemen, the oil industry or the consumer? Now just for the benefit of the gentlemen of the Affirmative, let us take both of these arguments. In the first place, are the oil businesses or the natural resource businesses paying too much of the tax burden at the present time? The oil business last year realized a profit of \$500,000,000, and it paid approximately \$61,000,000 in taxes. We say that constitutes enormous profits in the oil business, and that this industry is able to pay more of its share because of the benefits which it has received from the state of Texas. Furthermore, we say that the sulphur industry, because of its \$37,000,000 in profit is able to pay more in taxes at the present time; also natural gas, because of its enormous profit is able to pay its share of the burden of taxation at the present time in the state of Texas. And so we say, gentlemen, why not adopt these sources which are able to pay rather than place taxes on consumers who are now on the brink of the subsistence level and are not able to live on a decent standard of living. As long as competition prevents the shifting of taxes to the consumer, why should not the higher income brackets pay?

Now, having done away with the need which the gentlemen have presented for a retail sales tax in the

state of Texas, let us look at this remedy which they have proposed. The gentlemen of the opposition have said, "We have one fundamental duty to perform, and that is—if we can show that the retail sales tax in the state of Texas would be just, and if it would be the best program for taxation, we would be able to say that we have carried out our duty." Well and good, gentlemen. Let us see if your tax is just. Let us remind you, in the first place, as you have reminded us, that your sales tax is regressive. You have said, "Yes, we admit that it bears more proportionately on the people in the lower income brackets." Now let us see how this would work. My colleague has pointed out to you that the economic situation in the state of Texas is indeed one of dire straits. He has pointed out to you that two-thirds of the people of the state of Texas are living on about a subsistence level.

Now let us look and see whether or not this tax is the best tax for these people. Let us look at the sales tax and see what effect it has on the purchasing power in the state of Texas. It is logical to see that, if a person goes into a grocery store and has to pay 2 per cent of the purchasing price of that commodity in taxes, that he is having taken away from him 2 per cent of the purchasing power. We can easily see that by imposing a 2 per cent sales tax in the state of Texas, we are taking away money which the people in the lower income brackets should otherwise be spending for the necessities of life. In effect, by levying a sales tax, we reduce the purchasing power especially of the poor classes in the state of Texas. Not only is this nefarious in

so far as the poor people of the state of Texas are concerned, but it also hurts business and prosperity in general. One of the major efforts of the administration of the National Government at the present time has been to try to bring up purchasing power so that we might bring back good times in this nation. And so we say that the gentlemen of the opposition are defeating their own purpose by levying a sales tax, if you please, on the purchasing power of the people of Texas, and in that way they are hurting not only the poor classes but also business, commerce, and the people in general.

Let us look at another inequity in the retail sales tax, another objection, if you please, to this regressive tax. At the present time in the state of Texas, 90 per cent of the profits which are derived go to people outside of the state who own businesses which are situated in the state of Texas. Now, how would the sales tax effect these people? These people are not the ones who buy their supplies, their food, their clothing, and their commodities in the state of Texas. They are not, if you please, people who would be taxed by this retail sales tax. They are people who would advocate this tax because they are escaping that form of taxation. But then, let us look at the people who live in Texas and own their businesses in the state of Texas. They are the people who buy their food, their clothing, and their commodities in this state, and they are the people who would pay this tax. We of the Negative say that the retail sales tax is not fair, is inequitable so far as business is concerned, and so far as these exploiters of the

natural resources of Texas are concerned at the present time.

Briefly in summation, let us see what has gone on in this debate. So far the gentlemen of the Affirmative have presented a need and we have pointed out that it is really a need for increased revenue rather than a need for a retail sales tax in the state of Texas. We have pointed out that there are other and better forms of taxation to which to resort at the present time. We have gone further and pointed out fundamental objections to the retail sales tax by showing its inequitability, its evil effect on purchasing power, and its retarding effect on business. We, therefore, in the face of this evidence, say that Texas should not by any manner of means adopt a uniform retail sales tax.

**First Negative Rebuttal, Beall Dean
University of Texas**

LADIES AND GENTLEMEN: Since the constructive cases of both the Affirmative and Negative are closed at this point, it might be well to summarize just what has taken place thus far in the debate. We might break the content down into three main divisions. First, the need for the sales tax as pointed out by the Affirmative. Second, certain alternatives that might be used, as advanced by the Negative, in preference to the sales tax. And lastly, the evils pointed out by my colleague, that definitely exist and characterize the plan of the Affirmative.

Now let's take up each one of these in turn and see

just how the debate has progressed up to this point. We showed, in the first place, that the gentlemen of the opposition had the task before them this afternoon of establishing the need for the retail sales tax as a means of relieving that two-thirds of the people of Texas who live on the subsistence level. We pointed out that this was the only way that the gentlemen of the opposition could establish their argument. In every debate the burden of proof is on the Affirmative to show a convincing need of the thing that they advocate. And the gentlemen of the opposition certainly have not advocated all of these social security measures that they have said would necessitate additional revenue. We say once again that the Affirmative must, to establish the need in this debate, give proof of the necessity for the retail sales tax as a means of relieving that class of the people of Texas who live on the subsistence level.

Now the gentlemen of the opposition have admitted that the sales tax is regressive. They have admitted that their plan would be one more burden upon that portion of the population. But the gentlemen say this is not severe. Now I should like to point out as I did in my constructive speech that the scale that means the difference between utter starvation and unutterable poverty is very delicately balanced at the present time because of the fact that there are only eight dollars a month to spend for every person in a family of this typical class. Any additional burden, no matter how slight, will result in poverty to those people. And gentlemen, we say that you must justify your tax from this viewpoint.

Now we told you that we might get this money as we need it from the income tax or from the severance tax. The gentlemen say that they have no objection to the income tax, but they think it would be an unfavorable source. Now we would like to point out to the gentlemen that the solution to this problem is very simple: that in times of prosperity we would merely save up the surplus that had accrued from the income tax and in times of depression, if the income from that tax fell off, then we would use that surplus to make up the difference between the two periods of prosperity and depression.

The gentlemen have objected to but one feature of the severance tax as we presented it. They say that the oil industry is today overburdened, that it can't pay any more; yet we pointed out that the oil industry last year made \$500,000,000 profit and that it made \$25 upon every barrel of oil produced. The gentlemen say: "Well, we have another objection. We say that Texas does not have a monopoly in this nation today, that California or Pennsylvania or some other state might come along and take away the advantage that we enjoy." We point out as did the Mid-Continent Oil Company, that oil production in every state during 1936 fell off except in the state of Texas, and in the state of Texas oil production increased 25 per cent. Therefore, we see we have this situation: Texas enjoys a peculiar advantage of being the only state in the Union that has an ample reserve of oil left for time to come—that because these other states have been producing oil for such a long period of time they do not

have the resources that Texas has at present. We go still further and say that Texas enjoys, as the United States Bureau of Mines points out, one of the greatest possibilities for the production and transportation of oil in the United States.

The gentlemen have not touched upon that feature of our plan as to the taxation of natural gas or sulphur. They have not touched upon the inequitability of the sales tax in regard to the resulting decrease in purchasing power—or upon the fact that outside interests have exploited the resources of Texas year after year. They have robbed us of our birthright, of our heritage. We say, gentlemen, that it is high time that the taxing of impoverished millions of Texans in order to keep Wall Street safe for multi-millionaires should stop.

We say that the Affirmative have yet to establish a need for the sales tax. They have yet to show us just why an income tax and severance tax cannot be used. They have yet to justify the sales tax from the point of view that certain inherent evils cannot be rectified in its structure. And because of these reasons, we say that the sales tax should be cast aside as a means of obtaining revenue.

**First Affirmative Rebuttal, Frank Houghton
Baylor University**

MR. CHAIRMAN, LADIES AND GENTLEMEN: We should like to continue with the Affirmative contentions in this discussion. In the first place, the speakers of the opposition have contended that my colleague

and I have not presented a need for the retail sales tax in this discussion. We have contended that there is a need for additional revenue in the state of Texas at the present time. This means there is a need for some sort of tax.

Of course you all realize that we must present to you the fact that we need more revenue before we show you why or how we should get this revenue. The Negative have granted this need by proposing other methods of raising the required revenue, and this action removes the matter of need from the debate. We presented to you, however, ladies and gentlemen, a case for the sales tax upon the merits of the sales tax itself. We proposed that a good tax should have three qualities. First, it should be easily administered. And as yet the opposition have not contested this argument. Second, it should bring in the desired revenue. And as yet the opposition have not contested this fact.

In the third place, it must be a just tax. And it seems that the gentlemen of the opposition have launched their major attack against the fact that a uniform sales tax bears down severely upon the low income group. My colleague and I admitted in the very beginning of this discussion that the low income group does bear a portion of this uniform retail sales tax. We pointed out for your consideration, however, that this regressive feature of the uniform sales tax is not severe to the extent that it places an undue burden upon the low income group. I pointed out that in Oklahoma, according to the reports of the legislature, the poorer counties paid an average tax of from eighty-five to

ninety cents a person in the form of a retail sales tax, and received back more in social security benefits. Now, since the opposition have contended in this discussion that this sales tax is going to place an undue burden upon the poor, I want the next speaker to come to the floor and tell you why this eighty-five or ninety cents more cannot be met by the low income group.

We do not say that we are merely taxing the low income group, but we say that we need additional revenue in the state of Texas in order to care for this group. As a matter of fact, it is the low income group that is going to be looking to the state for the old age pensions, for the unemployment insurance, for the various educational processes. And we say, ladies and gentlemen, that it is the low income group that is going to profit from this retail sales tax. I pointed out in my constructive speech that in the state of Oklahoma for every one dollar paid out in the form of a uniform retail sales tax in the poorer counties, the poor received some ten dollars in benefits. We are placing a tax upon the people as a whole in the state of Texas. Upon the poor or low income groups, yes. Upon the higher income groups, yes. We say that ultimately the higher income group does bear a larger portion of a uniform retail sales tax because the poor man receives the majority of the benefit. The state can't carry on all of these marvelous accomplishments that it has been doing in the past year unless we have additional revenue here in the state of Texas.

The opposition contested the sales tax upon the fact that it would decrease the purchasing power of the peo-

ple of the state of Texas. I should like to ask the speakers of the opposition what they think the state is going to do with all this revenue that it is going to collect from the uniform retail sales tax. As a matter of fact, it is going to take the tax from the lower income group and pay the majority back to the lower income group, thereby re-distributing instead of decreasing purchasing power.

The opposition offered the suggestion of an income tax. However, the federal income tax runs as high as 60 per cent of a man's income over a certain amount, yet we have been able to raise only \$33,000,000 from this source in Texas. The speakers of the opposition tell us that a state income tax can raise \$40,000,000. Using the figures of the Federal Government, we find that the state of Texas, with an income tax of from 1 to 9 per cent (which is the average income tax of the states in the United States), could raise only from six to seven million dollars. We say we have no particular objection to an income tax but that you can't get enough revenue in this fashion.

**Second Negative Rebuttal, James Hefner
University of Texas**

LADIES AND GENTLEMEN: I should first like to consider the Affirmative attack on our new tax proposals. They have said that these taxes which we have proposed are not good taxes. Now they say the income tax isn't any good because it does not bring in enough money. But the gentlemen refuse to see that we are

not talking now about a personal income tax. We are talking about a personal and corporation income tax which in the state of New York brought in \$120,000,000 and which, according to these figures, would bring in \$40,000,000 in the state of Texas.

The gentlemen have said your oil tax isn't any good. It isn't any good for the mere reason that it is passed on to the consumer. At first the gentlemen of the opposition said it isn't any good because the oil companies are paying too much now. We want the gentlemen to explain themselves. We want to know which they do believe. Do they believe the oil companies are going to pay it or do they think the consumer is going to pay it? We have shown you where in effect neither one of these attacks is justified. We have shown you wherein the oil tax is a fair tax because it is not exorbitant and there is excessive profit in the oil industry in the state of Texas at the present time.

We say there is no need now for a uniform sales tax in Texas because other sources which are better should be used first. The gentlemen have said, "We want a sales tax because it is a fair tax." We say that it is regressive, that it isn't fair to the poor because it places an increasing and undue burden upon the poor people. But the opposition says this burden is not too much; Those people can afford it. Now let us see whether or not they can. What constitutes a burden that is too great? When people are on the brink of starvation, when people cannot afford to lose any more money with which to pay for the necessities, when people cannot afford to pay any more taxes, what constitutes an un-

bearable burden on these people? We of the Negative contend that any burden at all which is added to those people at the present time is an unbearable burden.

Now the gentlemen have said: "We see that these people cannot bear any more burden at the present time, but we are going to make up for that. We are going to put back into their pockets more than they have paid out." Let's see whether or not the state can do that. We have seen according to a report of the old age assistance commission, that only 7 per cent of all the people of the state of Texas who are poor and on the subsistence level can be affected by the program of the gentlemen of the opposition. We want to know, gentlemen, what you are going to do about this other 93 per cent that are not taken care of by the return of the retail sales tax.

Now let us go further and see about the other objections to the retail sales tax. We want to know, gentlemen, what you are going to do about this curtailed purchasing power which the retail sales tax is going to bring about. We want to know what you are going to do about the curtailed sales and business activities which are going to result from the lack of purchasing power which will be brought about by the uniform retail sales tax. We want to know another thing, gentlemen. We want to know what you are going to do about the unfairness brought about by the retail sales tax in connection with business which is owned outside of the state of Texas. What about these businesses which have been exploiting the state of Texas and which are going to escape a sales tax? And how about the addi-

tional burden which is placed upon the business of the state of Texas which is owned by Texans? We want to know about this inequity, gentlemen.

Briefly reviewing this debate, we have seen that the gentlemen have presented a need, but not a need for a uniform retail sales tax, just a need for additional revenue. We have pointed out the other additional sources which are better than a retail sales tax. But we have gone further. We have shown that this tax is not a good tax because it places a heavy burden upon the poor man, because its benefits are not to the poor man since it curtails purchasing power; and because it exempts unfairly the exploiters of Texas' natural resources.

**Second Affirmative Rebuttal, Frank Rosson
Baylor University**

MR. CHAIRMAN, LADIES AND GENTLEMEN: I should like in the last few minutes of this debate to narrow the topic down, as I see it, to the basic issue. I think we all agreed on this one point: that there are additional expenses which the state must meet if it is to carry on its present day functions. And so the one remaining issue is this: just how will the state of Texas get its money to carry on the present functions of state government?

The strongest indictment we have had against our sales tax is that we will bear down on the poor people of Texas with this oppressive burden of the sales tax, and make them pay the entire bulk of it. My colleague has shown the gentlemen of Texas facts, and has given them

actual figures from states which have the sales tax, that definitely prove that the poor are not excessively taxed under this plan. In the state of Oklahoma, for example, in the poorest counties of Oklahoma, those which according to the gentlemen from Texas would bear the burden of this tax, paid an average per capita tax of eighty-five to ninety cents per year.

In the poorest county of Oklahoma, for every one dollar which was put into the sales tax, a total of ten dollars in the form of actual social security benefit was received back. The gentlemen say that according to the director of our old age bureau, we are only affecting some 7 per cent of the old people of Texas with our personal payment. That is exactly true, gentlemen, but the gentlemen of the legislature are increasing the number of people that will receive the personal payments. According to Claude D. Teer, we are well below the national average for the payment of old age pensions.

Also take into your consideration the fact that the sales tax not only pays old age pensions, but that this money is good for the teacher retirement fund, that this money is good for dependent children, that this money is good for C.C.C. camps, that this money is good for relief, that this money is good for numerous institutions and for numerous agencies, and that the people of Texas will get the benefit of that tax. On the basis of these figures, I merely submit to you that for every one dollar which the poor of the state of Texas put into a sales tax, if they get back a total of ten dollars (as the figures of Oklahoma show)—then I submit to you the doubtful accuracy of the conclusion that the poor

people of Texas will be crushed by this oppressive burden of the sales tax.

Now I should like to make it very clear, here, that the contentions of the Affirmative in this debate have only been composed from the point of view of whether or not the sales tax is a bad tax, and not with particular regard to the other forms of taxation. We have taken up the only thing against the sales tax, which is, that the sales tax is oppressive to the poor man. In view of that fact, then, if the sales tax is a good tax, then we need only to discuss briefly these other taxes to see whether or not we should adopt them.

We pointed out to you that if the income tax is adopted it will decrease during the time of depression. Using the figures of New York, if you will, on the basis of their revenue decrease from the income tax in the years of depression we should expect only from six to seven million dollars from an income tax during those years. And as to a corporation income tax, we asked the Negative point blank: "Do you believe that such a tax will be a satisfactory one?" and they remained silent on that. If the tax is shifted, you are merely shifting that tax down onto the poor man. If that be true, why not impose that tax where it can be most easily collected—on the point of final consumption!

And so we ask you, ladies and gentlemen, to conclude with the Affirmative in this debate—that Texas should adopt a uniform retail sales tax to carry out its functions of today.

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OPEN DOOR POLICY IN CHINA

Correspondence Debate

UNIVERSITY OF REDLANDS *vs.* LINFIELD COLLEGE

In a debate which started out to be electrically transcribed and ended up by being a correspondence affair, the University of Redlands and Linfield College engaged in an extra bit of rivalry by meeting for the fourth time during the season, having already discussed Government Spending, the Policy of Isolation for the United States, and Fifty-Fifty Dates for College Men and Women.

The interest in the Sino-Japanese difficulty and the relation of the United States to all the questions that it raises, persists strongly on the Pacific Coast, and, although not debated widely during the last debate season, was frequently discussed in college and university circles.

The proposition here presented was stated: Resolved, that the United States should take steps to maintain the Open Door Policy in China. Redlands undertook the affirmative and Linfield the Negative. Redlands used a mixed team, the co-ed member, Miss Frances Anderson, having formerly been a student at Linfield.

The debate speeches were collected by R. D. Mahaffey, Director of Debate at Linfield, and by E. R. Nichols, Director of Forensic Activities at the University of Redlands. The speeches were prepared during May and June, 1939, at the end of the debate season.

OPEN DOOR POLICY IN CHINA

First Affirmative, William Roskam
University of Redlands

MR. TECHNICIAN AND WORTHY OPPONENTS: The question under discussion is: Resolved, that the United States should take steps to maintain the Open Door Policy in China. The present increasing interest manifested toward international affairs makes this question most pertinent.

By way of definition it would seem best to give an historical development to insure a complete understanding. Beginning in 1844, when Caleb Cushing obtained for the United States a treaty granting most favored nation treatment, a principle of equal trade and other economic opportunities was established. At a later date it became relatively necessary to request the complete adoption of the favored nation clause to dissuade other nations from challenging the political and territorial integrity of China while seeking economic advantages. Few people realize how very distinct this policy of the United States is. By contrasting it to policies of the other great powers in China at that time or to our own policy in the Caribbean we realize that this is, indeed, a desirable policy to understand further. It originally opposed the granting by China of special concessions of an economic nature to other nations. Later the United States altruistically used this in sup-

port of the preservation of the territorial integrity of China.

At its conception "It did not open the door to equal opportunity of investment or of industry,"¹ nor did it "in 1899 attempt to preserve the territorial integrity, the administrative entity, or the independence of China."²

However, it has since taken on a more complete connotation through re-affirmation by various agreements and treaties. Reference is made to the Root-Takahira agreement of 1908 and to the Lansing-Ishii agreement of 1917.³ The doctrine was given its broad and now generally understood denotation in the Nine-Power Treaty which was framed at the Washington Conference: "It embodies the principle points for which the United States has contended; equal opportunity for trade, equal opportunity for investments, and the territorial integrity of China."⁴

The issues present themselves clearly both in a general nature and in a specific understanding. First, is it expedient that the United States should take steps to maintain the Open Door Policy in China? Second, is it practical for the United States to take such steps? Third, would it be desirable? The first two issues will be presented in the opening Affirmative speech while the last will be handled by my colleague, Miss Anderson. She will discuss the policy's desirability from the viewpoints of both nations.

¹ S. F. Bemis, *Diplomatic History of the United States*, page 485.

² *Ibid*, page 485-486.

³ Williams, *American Diplomacy*, page 135.

⁴ *Ibid*, page 135.

In attempting to answer the general question of expediency, we must take the broadest and most objective approach to the question, which is, the international approach. The synonyms of expedient, the key word of the first issue, are: profitable, advisable, and advantageous. If, by using each of these as its part of the complete meaning of expedient, we can show that it is profitable, advisable, and advantageous, we have then adequately shown that it is expedient to maintain the Open Door Policy in China.

If the Open Door Policy is not maintained in China, then that ancient country will again be subjected to the economic selfishness of the great powers of the world. To the strongest the cessation of the policy will mean the necessity of a costly battle; to those unwilling or to those too small to strive for a part, it means the loss of a market. Thus, we see that from the complete international viewpoint, it is profitable to maintain the Open Door Policy.

That the policy is morally advantageous and advisable is a stand that is granted by most people, even by those that refuse to admit it as desirable from any other point of view. The following quotations would seem to point out that it is truly a search for equality and fairness.

The honorable John Barrett writing in the *Review of Reviews* of January, 1900, states as follows: "The Open Door Policy means that no one or more nations shall enjoy any special or privileged rights of trade over others in China."⁵

⁵ John Barrett, "Our Interests in China," *Review of Reviews*, Jan. 1900, pages 21; 42-9.

Mr. A. C. Coolidge writes: "The Open Door Policy does not contain a single selfish theory, but is one of fair play."⁶

That the policy is advantageous politically is probably the most moot question of the entire discussion. However, that this policy is unwise politically from the international point of view is not the stand taken by opponents of the theory. So we may proceed that much further. When it is approached from the viewpoint of the internationalist, it is politically advantageous and advisable in that it searches for that ever covetable goal of equality and fair play.

Having proved it is generally expedient, we must turn to its specific expediency for the United States, thus completing the support of the first issue: it is expedient that the United States take steps to maintain the Open Door Policy in China. If we are to prove that the United States is the one to maintain the Open Door Policy, we must eliminate all other possibilities or we have not established the complete issue. There are three possibilities: that the United States and others withdraw support of the policy; that United States alone withdraw support; or, that the United States take steps to maintain the Open Door Policy in China.

If the United States and any other nation withdrew support of the Open Door Policy, it would be necessary to completely withdraw, economic and otherwise, or withdraw support with the expectation of the policy continuing. To completely withdraw, would mean suf-

⁶ A. C. Coolidge, *United States as a World Power*.

ficient control by each and every government of its private interests in order to insure their withdrawal, a thing impossible even assuming it to be desirable. If a few withdrew support with the expectation of the policy continuing, it is but necessary to remember that the policy from the very time of its conception was accepted by each nation only with the understanding that it would be mutually accepted.

The second possibility, that of the United States withdrawing alone, meets the same impossibility of government control of private business to insure complete withdrawal, and it means breaking the mutually dependent circle, to say nothing of deserting a policy of our own creation. Thus, by elimination, we have left only the possibility of the United States taking steps to maintain the Open Door.

Mr. T. F. Millard shares this view in his book, *China and the Far East*. He writes as follows: "Among foreign policies which have been applied in China with enough power to make them felt in shaping the broader course of events, that of the United States alone has taken a course which enables it sincerely to support the 'integrity of China' doctrine without being suspected of inconsistency."⁷

Now we must apply the second issue: is it practical? In attempting to establish its practicality, it is necessary to answer the one outstanding objection made to the policy. According to S. F. Bemis, "The Open Door would not stay open should the territory of China or its administration pass under the full control of any

⁷ T. F. Millard, *China and the Far East*.

other power, that is, should China's independence be threatened."⁸ However, this is a practical objection only if the threat to China's independence is capable of being carried out. For 4,000 years nations of the past and present civilizations have tried that—the Tartars, Mongols, and Manchus tried it in earlier civilizations. In 1592 Japan tried to invade China. For six years Japanese armies, under the historically famous leader Hidjoshe, tried to accomplish their objective. In 1598 they admitted defeat. In the present crisis Japan has never lost a battle and will never win the war. As months turn into years, we see Japan, the aggressor, being forced to fight a defensive battle on her own conquered territory. So unless the Negative can conclusively prove that China's independence is definitely doomed in spite of historical and contemporary evidence to the contrary, the only objection made to its practicality is not valid.

In all probability the Negative will attack the practicality of any means of taking steps to maintain the policy. However, the historically tried plan that the Affirmative is introducing is not subject to inability of being enforced, nor does it endanger the peace of the United States. It is the process of asserting a doctrine during periods of crisis and not physically supporting it at that time. Then, after the crisis is over, it can be maintained physically as well as theoretically. Attempting to maintain a policy in times of crisis has inevitably been a dangerous course to follow, as exemplified by our insistence upon neutral rights in the Napoleonic

⁸ S. F. Bemis, *Diplomatic History of the United States*.

and World Wars. The success of assertion in times of crisis and physical enforcement afterwards is exemplified in the support of the Monroe Doctrine in Mexico in 1861 through assertion during the Civil War period and its physical maintenance in 1865 after the period of crisis. This policy has proved to be an effective way of maintaining a doctrine, and it also has the advantage of being practical in that it demands no action that may be dangerous to the United States.

Therefore, because it is internationally expedient, because it is expedient for the United States, and because it is practical and workable, there is but one conclusion: the United States should take steps to maintain the Open Door Policy in China.

First Negative, Frank Grover
Linfield College

MR. TECHNICIAN AND OPPONENTS: The question for debate has been stated by our friends of the Affirmative, but many factors remain to be examined. However, before considering general issues, shall we turn to a few of the statements made in the first speech of the Affirmative.

The first speaker has inferred that, at the time of the conception of the Open Door in China, the policy was dependent upon mutual acceptance by all nations concerned. In line with this argument, then, may we point out that it is first necessary for the Affirmative to show that all nations concerned are in favor of the United

States taking steps to maintain the Open Door Policy in China.

Our friends have assumed an international point of view from which to examine the problem. In taking this stand the Affirmative has employed the hypothesis that what is best internationally is best for the United States as a nation. Without discussing the issue from the international viewpoint (as to whether or not it is expedient internationally to maintain the Open Door Policy in China), we should like to maintain that as yet our friends have shown us no reason for the *United States* taking steps to maintain this policy. It is interesting to note that the United States is not international; rather, that our nationalism so borders on isolationism that we refused to join the League of Nations, the only modern international body politic (also of our own conception). Nor has the United States been appointed guardian policeman of international affairs; consequently, we feel justified in our stand: that, until the Affirmative can show that the international viewpoint is the desirable viewpoint for our nation (as a nation) to take, and that the United States has the right and the responsibility to speak and to act for the other nations involved, we of the Negative maintain there is no reason for the United States to take steps to declare an Open Door Policy in China.

Now, shall we turn to a more careful consideration of the question itself. Notice that the statement implies that a threat to the policy may exist; it implies immediate action; and it implies definite action as the proposed solution. We of the Negative feel that there

is no actual threat to the policy, and, consequently, no real need for steps to be taken to maintain it. But before we prove this point, we should like to emphasize the fact that the question does not state nor imply that if the United States should not take steps to maintain the Open Door Policy in China that a favorable attitude need be abandoned by the United States.

Here we must examine the need for steps to maintain the Open Door. Our friends have already established the basic arguments of the Negative that there is no actual reason for maintaining the policy because the policy is not threatened. In this relation may we quote from the first Affirmative speech ". . . the *one* outstanding objection made to the policy. According to S. F. Bemis, 'The Open Door would not stay open should the territory of China or its administration pass under the full control of any other power, that is, should China's independence be threatened.' " It will be granted that the total implication of the statement, or rather the meaning placed upon the quotation, is that the Open Door Policy will be threatened *only* if the territorial independence of China is destroyed. And then our friends of the Affirmative proceed in historical review to explain to us why China's integrity is not threatened, why Japan may win every battle, but can never win the war, in other words . . . why there is no reason for the United States to take steps to maintain the Open Door in China because there is no threat to that Open Door and no one capable of closing it.

Then, from the evidence so far presented on the part of either the Affirmative or the Negative, we can only

assume that the Open Door in China will remain open whether the United States takes steps or stands still, and that we have no *need* to take any action in the matter.

But, perhaps we should examine the potentiality (which our friends of the Affirmative do not grant) that Japan might win the war. In that case the Open Door would be threatened and the United States would have to decide whether or not she should take steps to maintain this policy. We feel that, even under these circumstances, steps should not be taken. During the war, which we have recognized might end China's independence, we have taken no national action: we have not even declared Japan an aggressor. If Japan should win, should we then take national action in favor of China to guarantee an integrity we have allowed to be destroyed? We of the Negative feel such a plan would be foolish. Yet that is exactly what is implied in the question. It is suggested that we take steps to guarantee an Open Door to a nation whose open door, according to the Affirmative, can only be closed by the destruction of the integrity of that nation, in which case there is no reason to try to keep it open. And our reasons for such a stand (beyond the absurdity already pointed out) are that no gain will come from such steps and only harm could result. No good could come because Japan is basically interested in trade. Examination of her trade reports shows that the year preceding her invasion of Manchuria her trade in her two most lucrative divisions fell off drastically. In her raw silk trade with the United States, the drop was some sixty

per cent; and in her manufactured cotton goods trade with China the decrease was almost one hundred per cent. It is the opinion of many economists that in this decline of trade lies the real reason and perhaps justification for Japanese invasion of Manchuria. However true this opinion, no one will contest that trade was perhaps the most pressing reason for the Japanese aggression. Then it stands to reason that Japan will not destroy trade with other nations, though she may demand that that trade be carried on with the *Japanese* instead of the *Chinese*. In short, even if Japan should win, from a trade standpoint we will not lose, for it is in the interests of the Japanese to continue trade with the United States.

But what of our investments in China? Our friends of the Affirmative would infer that unless we take steps to maintain the Open Door Policy in China we shall be forced to relinquish our investment holdings. This is not quite the case. In the first place, the United States possesses a general foreign policy which asserts protection of Americans and American property in every nation, unless a specific decree revokes that policy for a certain locality (as was the case when the President declared that the United States would not be responsible for Americans in Spain while the war was in progress). This general policy has maintained American investments in South America, Ethiopia, Africa, Canada, Europe, and Japan. The maintenance of American property and American investment is not basically dependent upon the maintenance of the Open Door Policy. So we believe, from this standpoint, that

it would not be wise for the United States to take steps to maintain the Open Door Policy in China, because we would be opposing the power of the East.

In the first place, our friends have proved that there is no danger, and that there can be no danger that the policy will be threatened. In the second place, we have shown you that even if the policy were threatened, it would be foolish for the United States to take steps to maintain it, because we have taken no national action to retard the destruction of the integrity of China while the war has been going on, because we would lose no trade should we trade with a "closed China" through an "open Japan," because the maintenance of American property and investment is not dependent upon the maintenance of the Open Door Policy, and because such steps, although unnecessary, would result in the ill-will of Japan; so we believe that no steps should be taken by the United States to maintain the Open Door Policy in China.

The question not only implies that a threat to the policy exists, but it implies that immediate and definite action should be taken. In this respect our friends have suggested "asserting the doctrine during periods of crisis and not physically supporting it at that time." The only conclusion that can be drawn from this is that the definite immediate action suggested is "assertion of the doctrine" with no intention of immediate or definite steps to back up that assertion. Then, after the crisis is over, "it (the policy) can be maintained physically as well as theoretically." This completes the plan of the Affirmative. But may we remind you

of the fact that the Affirmative has already asserted that, after the crisis (the war) is over, there will be no need for even assertion of the doctrine since the Open Door Policy will be automatically won because China will have thrown off the threat to her independence and the threat to the Open Door. In other words, the only "step" the Affirmative wishes taken is an assertion with no intention of maintenance. Now, if this be the case, our friends are beyond the limits of the question, for it is perfectly logical that the Negative should suggest that we assert the doctrine at the present time to "save our face." We can agree, then, with our Affirmative friends (although we do not) that the assertion of the policy at the present time is wise, and yet not agree that we should take steps to maintain the Open Door Policy in China.

In examining the debate as so far presented, we find no evidence to support the contention that the United States should take immediate and definite action to maintain the Open Door Policy in China. The international viewpoint, assumed by the Affirmative, is neither practical nor desirable for the United States. Our friends of the Affirmative have conclusively demonstrated that there is no threat to the policy in question and that there can be no threat, consequently, there is no reason for the United States to take steps to maintain the Open Door. Further than that, we have shown that *even if* that threat should materialize, we still should not take steps to maintain the policy, since we would have nothing to gain, but, on the other hand, would lose the goodwill of the nation in power. Be-

yond that, we have examined the plan advanced by the Affirmative, and we have discovered that, in reference to the only action suggested, the Negative can agree, since that action does not necessarily entail steps to maintain the Open Door Policy in China.

For these reasons we feel that it is not expedient, nor practical, nor desirable for the United States to take steps to maintain the Open Door Policy in China.

**Second Affirmative, Frances Anderson
University of Redlands**

MR. TECHNICIAN AND OPPONENTS: As is customary in the second Affirmative speech, I shall review the case as it now stands, refute the Negative arguments and reaffirm the Affirmative to prove clearly that the United States should take steps to maintain the Open Door Policy in China.

May I begin by quoting the Negative: The statement implies (1) a threat may exist, and (2) immediate and definite action is necessary. These we agree to be self-evident.

However, in affirmation of the first contention that a threat exists, let us re-examine the Affirmative argument of practicality and the Negative answer to discover the full significance of the quotation used by both sides. Again quoting S. F. Bemis: "The Open Door would not stay open should . . . China's independence be threatened." The Affirmative, the Negative, and the world in general agree that China's independence is threatened. They will also be forced to grant, as my

colleague pointed out, that by the irrefutable proof of history, eventually in the centuries to come, China will again inevitably resume control; but, as in the case of the Manchus, it was seven centuries before they regained their authority, so it might be a matter of centuries again. May I remind the Negative again of the quotation, ". . . should China's independence be threatened." Full control is not even necessary before the Open Door is threatened. Summarizing an article by Norman D. Harnell in the January, 1939, issue of *Asia*: Consider the possible outcomes of the war in the light of American investments if the United States does not take some steps to check the conflict.

(1) Should Japan win the war the Open Door will necessarily be closed as she has announced this as her intention, for she will wish to develop the New China's resources with her own faculties, such as the North and Central China Developing Companies.

(2) In the event of an armed truce America could count on even less gains. We could not even continue our profitable trade with Japan, for already her financial foundations are collapsing rapidly. Another six months will show a crumbling credit.

(3) Should China, decades hence, eventually regain control by her own patient struggling, Chinese government monopolies and trading corporations, already firmly entrenched, would be even more strongly established and could not, and would not, be easily dissolved. If China wins without aid, she will develop her own resources, closing them to foreign exploitation, as is understandable.

Reason clearly shows that, if America would retain her possibilities for investment in China, steps must be taken now in support of that tenet of the Open Door policy which guarantees China's integrity.

We may now take up the second contention of the Negative based, for the time, on the supposition Japan will win the war. "If Japan wins the war no good could come from maintaining the policy because (1) Japan is basically interested in continuing trade, and (2) it is in the interests of Japan to continue trade with the United States."

In the light of Japan's note to the world, Nov. 18, 1938, and her statement outlining the future economic relations of China, Japan, and Manchukuo, this argument of the Negative can hardly be accepted, much less remain in the debate. The latter note, quoting from the *Fortnightly Summary of International Events*, January 1, 1939, states:

The new order envisages a certain degree of economic cohesion and coordination between Japan, Manchukuo, and China, and the formation of a single economic unit in the presence of similar units which already exist elsewhere and are both powerful and self-sufficing . . . It is most natural and proper that two neighbor nations, closely bound together by ties of race and culture . . . Japan poor in natural resources and without a large domestic market and China still economically weak—should work together in order to insure their independence as regards vital supplies as well as their markets.

No one will contest that "trade was the most pressing reason for Japan's aggression" but not trade with America, worthy opponents. Do not delude your-

selves. Such authorities as the Japanese embassy and government, the Foreign Policy Association, *Asia*, and *Pacific Affairs* not only assert but admit that Japan is looking for self-sufficiency in the Orient and a closed monopoly on trade to and from China.

Thus, we see that not only the second contention, but also the third: "American investments are not basically dependent on the maintenance of the Open Door Policy," are automatically disposed of by the preceding proof.

Having cleared the deck of Negative arguments, let us now look into the remaining reasons for the Affirmative stand and the steps by which the Open Door Policy can be maintained.

My colleague proved to you (1) that the Open Door Policy is expedient and necessary if we would retain our markets in China, (2) that it is internationally expedient to maintain the territorial integrity of China, and (3) that it is specifically the problem of the United States, not only because the policy is one of our own creation, but also because the danger is specifically ours.

Now, continuing the constructive case, the Affirmative maintains (4) that it is necessary, not only to save our markets, but also to insure our own security in the Western Hemisphere.

For the first time the independence of China has entered into association with America's security in America's own hemisphere. The Monroe Doctrine has been threatened by an attack on the independence of China—the threat proceeding directly from the expan-

sion of totalitarian powers into the Latin American countries. The growth of the European dictatorships has completely upset the European balance of power upon which the security of the Doctrine always depended. But Japan is also involved because of the interdependence of Europe and Asia effected by the Rome-Berlin-Tokyo axis. Japan's victory in China would strengthen greatly the potentialities of all three powers for challenging the Monroe Doctrine, while the defeat of Japan would reduce the danger. The danger is not from Japan alone but from the axis of fascist powers, which would be trebly strengthened in Latin-America with the added threat of a Japanese Empire in the Orient.⁹

Obviously, since it is necessary, expedient, and practicable, it is highly desirable. All that remains is a clarification of the steps to be taken to maintain the policy. If the Negative objects to the passive action of "asserting a policy during time of crisis," as my colleague pointed out has been our policy several times in the past, the Affirmative gives wholehearted support to those aggressive steps which have already been taken toward this end and to many of the proposed steps that are pending legislative action.

We have already taken definite steps, some more stringent than others. Among the more cautious steps are:

1. We have participated in consultation toward peaceful settlement.
2. We have refrained from applying the neutrality

⁹ *Pacific Affairs*, June, 1939, page 123.

legislation which would favor the aggressor in this instance.

3. We sent some thirty American vessels of war into Asiatic waters to protect American citizens and investments.

4. The government has presented strong diplomatic protests against the acts of cruelty towards citizens. In 1932 we published to the world the Stimson Non-Recognition Doctrine.¹⁰

However, public opinion has recently permitted the adoption of more aggressive steps, definitely aimed at checking Japan, and aiding China.

1. On June 17, 1938, Secretary Hull took informal action to check the sale of airplanes to nations engaging in the indiscriminate bombing of civilians.

2. A \$25,000,000 loan was extended Dec. 15 by the Export Import Bank to the Universal Trading Corporation, an American concern owned by Chinese interests.

3. The Chinese-Americans agreement of July 9, 1937, by which China may obtain dollar exchange against its gold reserves in the United States was extended by the Treasury in December.¹¹

With the intensification of feeling in more recent months, discriminatory action against Japan has received wide support. One proposal is that Congress amend Section 338 of the Tariff Act of 1930 so as to authorize reprisals for Japanese discriminations against Americans.¹² A second proposal for discriminatory

¹⁰ Future of the Open Door, *Ch. Cent.* Nov. 16, 1938.

¹¹ *Pacific Affairs*, June, 1939, "Potentialities of American Far East Policy," pages 124-6.

¹² *N. Y. Times*, Jan. 5, 1939.

action seeks to avoid loss of time by regarding the American-Japanese treaty of 1911, which requires six months for denunciation, as now suspended in view of Japan's prior violation of the Nine-Power Treaty, the Pact of Paris, and Article 43 of the Hague Convention of 1907 concerning warfare on land. The President has the authority to exclude proclaimed Japanese commodities by Section 338 of the Tariff Act of 1930 and to deprive Japan of most favored nation treatment by the Commercial Reciprocity Act of 1934. Senator Thomas' proposed amendment of the Neutrality Act authorizes the President to apply an embargo on all articles or materials of use in war solely against the nation engaged in war in contravention of a treaty with the United States. A non-discriminatory embargo is urged by Senator Pittman's neutrality legislation on the ground that in view of China's present practical inability to obtain supplies from the United States, Japan alone would be adversely affected.

The Negative may take their choice of any of these steps already awaiting legislation, the majority of which, with the exception of the embargo, the Affirmative can approve.

However, lest they forget, may I again remind the Negative of their own task, establishing on some new basis (for their first is destroyed) the Negative stand: that the United States should *not* take these steps (already taken or pending) to maintain the Open Door Policy in China.

In view of the Affirmative proof that the policy is expedient, necessary, desirable and practicable because

many steps have already been taken and others are awaiting legislation, we believe the United States should continue to take steps to maintain the Open Door Policy in China.

Second Negative, John Adams
Linfield College

MR. CHAIRMAN AND WORTHY OPPONENTS: In this, the concluding constructive argument on the question: "Resolved, that the United States should take steps to maintain the Open Door Policy in China," I shall first review the cases as they now stand and conclude the argument of the Negative.

In checking the two arguments as submitted by the Affirmative, we note first that Miss Anderson in the last argument cited a threat to the Open Door Policy and advocated immediate and definite action for the prevention of such action. Earlier in this debate Mr. Roskam pointed out, quoting S. F. Bemis, that there was not and never could be any direct threat to the Open Door of China unless that nation should fall under the control of any other power. This he quite adequately showed could never happen. In this their own case, then, we have the answer to the whole question—there is no need for the United States to step into the Far East nor to take steps to maintain the Open Door in China.

Referring again to the opening argument of the debate, we find the question viewed as one of world import, one which should be generally maintained and

supported by all of the nations of the world. Again, referring to the propositions and the following arguments in the debate, in each instance we find that all policies and legislation, as well as argument, is founded upon and based on American rights so that American citizens may not suffer damage nor harm at the hands of the Japanese. This would indicate that, rather than the Policy of the Open Door from a universal standpoint, our opposition maintains simply the maintenance of the Open Door for the United States.

Let us investigate this latter contention more thoroughly. We find that even today, in considering the war in the Far East, American property rights and trade are respected. In the attack upon Tientsin, so lately headline material,¹³ American citizens were warned of dangers by the Japanese, protection was offered to American business, and American ships were warned to leave. Would this indicate that the United States should be required, of necessity, to enforce the Open Door Policy, which could never be closed.¹⁴

We of the Negative agree perfectly with the opposition in their stand that American citizens and goods must be protected, but we do not feel that it is our duty nor our responsibility to expend our capital for the maintenance of the policy for other powers. As I have shown you, American business, people, and goods, are, even at present, under the full protection of the Japanese and American Governments. Japan has, as my opponents have implied, offered trade with the United

¹³ *Oregonian*.

¹⁴ *Fortune Survey*, May, 1939.

States, and, as the export-import reports for the year 1938 indicate, our trade with Japan is increasing rapidly. In the face of this, we fail to see wherein lies the need for the steps advocated by the Affirmative from viewpoint of the United States or of the world at large.

We note the arguments as presented by Miss Anderson with reference to the Open Door in China. These steps taken of late by the people and the government of the United States to maintain the American markets abroad and to preserve the territorial integrity in the Far East deal entirely with the interests of the United States in the Orient. It would seem that, because of the desire for American trade and the protection of American rights in China, we should force our wedge into the crack of the door and attempt to hold it open that all may pass, thus giving all of the world, our competitors, and ourselves an equal chance in the Orient. Would it not seem more logical, with the present turn of events in China that the United States would profit by the removal of some of the other powers and the maintenance of our own rights which have to date been proffered by the Japanese and the Chinese. Keeping these ideas in mind, we note that the Affirmative, rather than arguing the question from the standpoint of international expediency and desirability, have attacked the problem from only the American standpoint. This being the case, we of the Negative would advocate rather the pursuance of the present policy and standard with the maintenance of the American set-up as it now exists in the Far East. Thus, noting that the Affirmative are thus far in perfect

agreement with the Negative, let us proceed to the follow points . . .

In furthering the case of the Negative, as has been shown, steps have been taken to maintain American rights where necessity has prompted such action. The rights of the Americans always have been respected, and to date no particular infraction of the rights of the people or business in the Far East has been noted. In carrying this point further, we note that it is expedient for Japan to maintain just such an attitude and condition.

For the past three years the United States has been the largest single exporter to both Japan and China. Many of the goods sold to both nations are not obtainable nor manufactured in the Far East. These goods are essential to the maintenance of the nations. It would thus seem that, since we are at present the source of supply for these goods, and since they are in demand and probably always will be in demand, that the business should remain in our hands. Furthermore, the fact that the United States has extended larger credits to the Far East than any other single nation would indicate a trend toward a closer association between those countries and the United States. In the face of the Berlin-Tokyo-Rome Axis, in the face of Japanese domination in Manchukuo and, in spite of the attitude so largely exhibited against this trade, even in the United States, the fact still remains that we have retained our position in the Far East. We are still the largest exporter and the largest creditor. In no case on record up to the present has there been any

American business closed through discrimination by the Orientals. Even under a condition of war, precarious as it is, we see the fears of the Affirmative are not realized.

What, may I ask, would be the difference between trading with Japan or a Japanese China or simply two nations—China and Japan? So long as amounts remain the same, of course, the answer would remain—*None*. And, this is exactly the case. I have shown you that rather than decrease, our total trade with the Orient has been steadily on the increase. I have shown you that, in spite of all of the objections and possibilities cited by the opposition as reasons for the steps to be taken, our trade has been on the increase. American capital has progressed and increased rather than decreased under present conditions.

May I further point out that it is to the advantage of Japan to retain our friendship and our trade. It is only through these things that Japan is able to hold the market for her goods in this nation. Throughout the last decade the consumption of Japanese manufactured goods in the United States has increased four-fold. The exchange rates have been in her favor and the American banks and capital holders have been most lenient and friendly to borrowers in Japan. Noting, then, the economic as well as the diplomatic necessity for the maintenance of this relationship, we note the false air of fear and loss indicated by our friends of the opposition.

It would seem then, with the United States increasing her exports, increasing her capital investment, in-

creasing her loans, strengthening the diplomatic and economic ties between the two nations that the present plan, the maintenance of the *status quo*, has been both successful and entirely satisfactory to the United States. Why then should we adopt a policy, admitted to be unnecessary by the Affirmative, and one which would incur nothing but enmity and create new debts for the American people to shoulder?

In summarizing this debate, we find that our present policy is expedient, because it must be so when one considers the huge advances made on all sides through the operation of the plan. Since the plan has proved successful, we feel that it is necessary that it should be continued as at present. Noting that it has been both expedient and necessary, has proved desirable, one would surmise that it had been practicable.

The plan then, of the Affirmative and the Negative cases, is admittedly the same; namely, maintenance of American rights, and protection of American property. A change to adopt a policy, unnecessary even in the eyes of the opposition, for the preservation of the Open Door in China for the rest of the world seems illogical and without basis in this modern and material world.

In view of these facts, then, we of the Negative feel that the United States must continue to maintain its present policy and should not at any time, either now or in the future, attempt to deviate from this condition for the maintenance of the Open Door in China.

First Negative Rebuttal, John Adams
Linfield College

MR. CHAIRMAN AND WORTHY OPPONENTS: We now have the arguments of both factions on this question complete. As first Negative rebuttal speaker I shall first summarize and refute the case as it now stands.

In summary we find that the argument of the Affirmative has resolved itself around the point concerning American rights and the protection of American property in the Orient. Throughout the debate my opposition have presented arguments favoring interjection of American force in the preservation of the age old policy of the Open Door, when, at the same time in their opening address they quoted from S. F. Bemis showing that the Open Door policy would remain as it is at present as long as China retains her independence. He has shown admirably that never in the past and, with all probability, never in the future would there be any loss of this same independence. When there is no need for the advancement of American force, I ask you, why spend the money to enforce an admittedly everlasting truth?

Throughout their case we have noted that each of the propositions lead to the protection and preservation of the rights of the American people, business and national. With this thought in mind the point of expediency was advanced. We of the Negative feel that the interference of the American Government in the Orient would be far from expedient. We have shown that in the past twenty-five years American trade with the

Orient has grown to the point where it is now the leader. The American banks and business houses have been most liberal in their treatment of the loans and exchanges with the Orient. In return for this we have shown the attitude of the Japanese even in a time of warfare to be one of friendliness and one which would indicate encouragement, rather than discouragement, to American business. We have shown that, since the annexation of Manchukuo, our trade and the use of American goods in the Orient has not decreased but rather increased. We have shown that at no time has any American business or American citizen been thrown wilfully out of business. With these thoughts in mind, it would seem more logical and expedient that we retain our present policy—that of protecting Americans and American business—as has always been done since the beginning of the economic progress of this nation. Expediency dictates friendliness and maintenance of present policies, not a change to a policy of force.

Keeping these ideas in mind, let us look at the third and last point of the Affirmative. The plan advanced is practicable. As we have shown you throughout the debate, the plan of the Affirmative is exactly in agreement with that of the Negative. It is nothing new and untried but rather a maintenance of American policy as has been our custom throughout time. Referring to the arguments and definitions as advanced, we find that the question is one of world import and one which is desirable and expedient for the world at large. Yet throughout this whole discussion the Affirmative plan

has simply been a presentation from the standpoint of the United States. It would seem more logical to me that, rather than an Open Door Policy, the opposition would favor an American domination or perhaps merely American protection in the Orient. This is the very thing that we admittedly have in existence at the present. It would almost seem more logical that we should advocate opening of the door to Americans but closing it to the rest of the world with the idea that in this way we could eliminate competition and thus have the whole affair completely in our hands.

In summary, then, we find that the opposition feel that there is no need for the entrance of American force or forces in the maintenance of the Open Door Policy. In presenting this line of thought, we note further that the stand of the opposition relates to a hypothetical case which is likewise refuted by their authority, S. F. Bemis. We note secondly that the opposition feel that it is expedient to enforce the Open Door at the present. Yet at the same time that they claim it is expedient, they say it is unnecessary. We have shown that the doctrine of expediency is hardly that of enforcement, for there is neither the need for interference nor the need for any action as long as the Japanese attitude remains as it is at present. We have further shown that under the conditions outlined by the opposition, trade has advanced with all parts of the Orient rather than retrogressed. As such we see the doctrine of expediency pointing toward the plan of today—that advocated by the Negative and admittedly approved by the Affirmative.

If, then, the plan of interference is not necessary and is not expedient, then it could hardly be practicable. It would thus seem that both sides of this debate are in agreement on this question, both feeling that we should continue the policies of the present, that of maintaining American rights and protecting American citizens. Neither side can see, and rightly so, the value of American interference in China for the preservation of the Open Door Policy for the rest of the world.

In conclusion, we of the Negative feel in conjunction with our opposition that the United States should not take steps to maintain the Open Door Policy in China.

**First Affirmative Rebuttal, Frances Anderson
University of Redlands**

MR. EDITOR AND OPPONENTS: Our friend, Mr. Bemis, has undergone a considerable overhauling in the course of this debate, and it is only expedient that we place him on his feet again. To our, and his, deep regret, the Negative has seen fit to misquote the poor gentleman again and again. We quote him again for your information: "The Open Door would not stay open should the territory of China or its administration pass under the full control of any other power, that is, should China's independence be threatened." The Affirmative then proceeded to point out that, by proof of history, eventually China would resume control should Japan take over control of China now. Any victory of Japan would in the long run be essen-

tially a temporary victory. Yet, in the face of this, the Negative propose to assist this temporary control in order to "keep the good will of Japan for our own interests," blithely and blindly ignoring Japan's note of Nov. 18, 1938, the Statement of Jan. 1, 1939, quoted by the second Affirmative from the *Fortnightly Summary of International Events* and comments from *Asia and Pacific Affairs* in which Japan politely and hissing points out, "It is most natural and proper that two neighbor nations . . . should work together in order to insure their *independence as regards vital supplies as well as their markets.*" Japan by her own statements is looking for self-sufficiency in the Orient and a closed monopoly in the trade to and from China, during whatever period of control she may have.

This is the American economic future the Negative insists we must curry the good will of Japan in order to retain.

I think we have taken care of Mr. Bemis and the four resulting red herring rebuttals the opponents have seen fit to drag across the path of this debate by pointing out, as the Affirmative has just done, where the Negative argument really leads. Mr. Bemis, rest in peace.

Now in summary of the Negative arguments and the Affirmative arguments, let us see where we stand. In chronological order the Negative arguments not only fall but also collapse in this succession.

The first argument *ad absurdum* over the quotation from Mr. Bemis we have taken care of. The second argument was, "If Japan wins, no good could come of

maintaining the policy, because Japan is basically interested in continuing trade and it is to her interest to continue trade with the United States." The four sources quoted in the preceding argument logically demolish this argument as they do the third that "Maintenance of American investments is not basically dependent on the Open Door Policy."

Proceeding to the second Negative we find, plowing through the Bemis blunder, the second contention, "The Affirmative's argument of the international import of the question seems to have been discarded in favor of that of American rights and investments." Gentlemen, I refer you to the first Affirmative's lengthy argument on the international expediency of the maintenance of the policy in order to insure equality and fair play. If the Open Door Policy is not maintained, China will be subject to the economic selfishness of the great powers of the world, specifically the fascist powers. This argument, gentlemen, was unchallenged by the first speaker, ignored by the second. Not having been refuted, it must still stand. Third, pointing to the Tientsin affair, the second Negative maintains it is not necessary to take steps to protect American interests because "protection was offered to American business and American ships were warned to leave." Thus "American business people and goods are even at present under the full protection of the Japanese . . . government." The only refutation to this statement necessary is to point out that the source of the argument is the Domei (Japanese) news agency through the Portland Oregonian. As to the fourth argument, Japan

is a market for American goods, it is again really repetitious to point out that Japan is looking for self-sufficiency, not trade with America. The danger of the artificial boom of Japanese trade which the Negative proudly quoted, should not be ignored. Remembering that a majority of Japan's new imports have been war materials, high test gasoline, scrap iron, oil, and armaments, we should not be, as the Negative seem to be, too complacent about the money pouring into our national economic coffers. The prosperity it indicates is as artificial as any pump priming measure. When the market ceases, as according to Japan's polite announcement it will, we will be left without this source of income.

Gentlemen, by the process of elimination, there seem to be no more arguments of the Negative to refute. Far from attempting to refute the presentation of the steps the Affirmative favored to maintain the Open Door Policy in China, the Negative most obligingly concurred in all of them. They were a little vague in outlining what the "present policies" of the United States were in stating firmly: "the Negative advocate the pursuance of the present policy and standard with the maintenance of the American set-up as it now exists in the Far East, and "Expediency dictates friendliness and maintenance of present policies, not a change to a policy of force." But since traditionally the friendliness has been shown China, and specifically not Japan in the present instance, we heartily agree. We point out, as the first Affirmative outlined in detail, that the present policy of asserting a doctrine dur-

ing periods of crisis, with the additional steps taken to aid China through loans and the extension of the Monetary Agreement of 1937 with China, the informal action of Secretary Hull on June 17 last year to check the sale of airplanes, and the maintenance of thirty American vessels of war to protect American citizens and investments, quite obviously are steps taken to maintain the Open Door Policy in China.

I leave to my colleague the only remaining task in this debate, to restate the Affirmative contentions and close the debate.

**Second Negative Rebuttal, Frank Grover
Linfield College**

MR. TECHNICIAN: It is difficult to present a last rebuttal for the Negative side of the question of the United States taking steps to maintain the Open Door Policy in China, difficult because of the confusion of arguments presented by the Affirmative. Examine for a few minutes the proposals of the two Affirmative speakers. Said the first speaker "However, this (referring to the popular quotation from S. F. Bemis) is a practical objection only if the threat to China's independence is capable of being carried out." And he followed this by an historical summary to prove that no such threat could be carried out. Quoting from the second speaker of the Affirmative, "The Affirmative, the Negative, and the world in general agree that China's independence is threatened." This speaker does not remember any statement on the part of the

Negative agreeing that China's independence was threatened, but barring that for the moment and considering the issue as fundamentally as possible, the Affirmative apparently has taken this stand; the independence of China is threatened today, but eventually China will win; eventually, may mean any period of time, quoting the second speaker of the Affirmative, "It might be a matter of centuries." Now, upon the grounds that China will eventually win, we are assured, by the first speaker, that there is no practical reason why we should not take steps to maintain the Open Door, and upon the grounds that it may be centuries before China will win, we are assured by the second speaker that it is imperative that we maintain the Open Door Policy in China. May we not again say with equal veracity, that since China will eventually win, there is *no practical* nor idealistic reason to take steps to maintain the Open Door; and that since it may be a matter of centuries before China does win, in the meantime our wise course is to be on good terms with Japan?

We are now prepared to examine the evidence presented upon this rather crucial point, the importance and probability of our trade with Japan. The Affirmative feels that American investments in China deserve protection; need we point out that American investments in Japan, and in trade with Japan far exceed our Chinese interests? Why then, should they not be protected first? Steps taken to maintain the Open Door in China would do more to antagonize Japan than any other single action, and so endanger our re-

lations with her. On the proposition of trade and investment, the argument seems to lie with the Negative.

The second speaker of the Affirmative has argued that we must maintain the Open Door to protect the Monroe Doctrine. In this relation let us point out that the weakness of Japan in victory has already been attested to a number of times by both speakers. The threat of invasion of the Western Hemisphere by such a Japan as is depicted by the Affirmative is scarcely more than ridiculous.

We should consider now the practical features as suggested by the Affirmative. The first speaker assures us that the Affirmative is not introducing a plan to endanger the peace of the United States. It is a plan of asserting the doctrine in times of crisis, and enforcing them after the crisis is past. We can only assume from the arguments advanced that the crisis in this case is the Japanese threat to Chinese independence, which the second speaker assures us may continue for the next six or seven centuries. If then, the steps suggested are merely assertion of a doctrine for the next six hundred years, the Negative can accept the debate as closed, because immediate and definite action can hardly be said to have been taken. The second speaker further confuses this issue by referring to a number of moves already taken, and proposed moves that "the Affirmative *could* approve." We decline to consider them as reasonable nor presented argument, since they are *not* approved by the Affirmative, nor are they for the purpose of maintaining the Open Door in China. Examine them. Almost without exception they are for

the express purpose of enforcing American rights in China, which has nothing to do with taking steps to maintain the Open Door. Or they are in the form of reprisals against Japanese infringements upon American rights. Any of these steps might, in the long run, make for a maintenance of the Open Door, but none of them are suggested for that purpose, but rather for the purpose of insuring American rights in the Orient, and referring to the first speech of the Affirmative, we find that the Open Door does not contain a single selfish theory. Then the steps advanced to maintain it, would not be for the purpose of maintaining American rights, but for a more altruistic motive.

A summarization of the Affirmative case is confusion. We must maintain the Open Door because China will win; we must maintain it because China is threatened; we must not do more than assert the doctrine for the next six centuries; we already are taking steps to maintain the Open Door policy; Japan in another six months will be a nation of crumbling credit; if Japan wins, she will threaten the Monroe Doctrine. We of the Negative maintain that the Affirmative have conclusively shown that there is no reason for the United States taking steps to maintain the Open Door in China.

We have argued that Japan wants trade, and regardless of the outcome of the war, we will still trade with her. We are told that Japan will close the door if she wins, for she has already said it is closed; yet our trade has been on the increase with both China and Japan. We have maintained that we can guarantee

the rights of our nationals in China without taking steps to maintain the Open Door, and the Affirmative have suggested a number of steps that have or could be taken to insure our rights and privileges.

Both sides apparently approve of the *status quo* of American policy in reference to the Oriental conflict. Since the Affirmative has not shown that the *status quo* represents steps to maintain the Open Door, since the Affirmative has suggested no new steps for that purpose, since rather all reasoning points to the fact that there are no good reasons for such steps, there seems to be no alternative but to maintain again that the United States should not take steps to maintain the Open Door Policy in China.

**Second Affirmative Rebuttal, William Roskam
University of Redlands**

FRIENDS: If nothing else, this debate should be a tribute to the versatility of Mr. Bemis.

To start abruptly, the whole idea of the misdirection of the Negative case can just about be summed up in the words of the first Negative rebuttalist: "The plan advanced is practicable. As we have shown you throughout the debate, the plan of the Affirmative is exactly in agreement with that of the Negative. It is nothing new and untried but rather a maintenance of American policy as has been our custom throughout time."

May I be so bold as to point out that when the Affirmative affirms and approves a case and the Negative

agrees with it in general and sits on the fence in particular, it does not mean that the debate is won by the Negative because of mere agreement. The only disagreement that seems to be important in the minds of the Negative is in regard to what they want to do about trade with Japan, which has no pertinent bearing on maintaining the "Open Door" *in China*.

Now to begin a point by point review and refutation of the Negative case and a summary and reiteration of the Affirmative case: In briefly reviewing the first Negative constructive case, we find that his first argument about the quotation by Mr. Bemis has been handled.

The second is his contention that Japan wants to continue trade, but this is not essentially pertinent. It is doubtful that Japan wants to continue the trade other than for war purposes and he has completely overlooked the fact that the other side, the United States, might desire to cease trading and that is just what Cordell Hull told Japan would happen in six months from July 26th, 1939.¹⁵

The third argument advanced was that "The maintenance of American investments is not basically dependent on the Open Door Policy," which simply means that the Negative has no other ideals than mere capitalistic imperialism—a path that is not at all conducive to world peace.

The second Negative constructive continued the attempt to misdirect the debate. After introductory remarks he states: "we do not feel that it is our duty

¹⁵ *Life*, August 7, 1939, page. 16.

nor our responsibility to expend our capital for the maintenance of the policy for other powers." To answer this, it is merely necessary to remind the gentleman that we have made no advocacy of using American capital to maintain the "Open Door" in China.

He goes on to say that trade is increasing with Japan so there is no great need to worry about China, but may I again point out that there is only one group that is interested in continuing trade with Japan and that group is the capitalists, the group that the Negative is using as the sole basis for its case. But may I again point out that the people, as he admits in his discussion about opinion, and the government, as is proved by the action of Cordell Hull, are not at all interested in continuing the trade with Japan for the sheer gain of the capitalists.

He continues and says that the people and the government of the United States are taking steps "to preserve the territorial integrity of the Far East," and yet at the same time he says that the Affirmative "have attacked the problem from only the American standpoint." Thus after inadvertently admitting that the Affirmative has an International idea in preserving the territorial integrity, he asserts, and only asserts with no proof or direct reference, that we are approaching it only from the American viewpoint. He goes on to say that the Affirmative agrees with the Negative, the whole agreement being based on a simple assertion about our stand for the purpose of making it possible to answer our case by misdirecting our basic stand.

The gentleman further states that the United States has been the largest single exporter to both Japan and China. Admitted. Then he continues that in spite of attitude and conditions "we have retained our position in the Far East. We are still the largest exporter and the largest creditor." All this goes well as long as he sticks to history and to the present, but when he predicts the future and uses his prediction as proof for his case, we must disagree, using the actual facts as they have happened. He speaks of "strengthening the diplomatic and economic ties between the two nations," but he fails to realize that trade with Japan depends upon their war, and on our tolerance. The facts are that the people are getting tired of it, and that the government has served notice that the trade treaty of 1911 is to be broken six months from July 26, 1939. Thus we see that his prediction made in order to substantiate the shaky case of the Negative was based on wishful thinking rather than a recognition of conditions.

He concluded that "a change to *adopt* a policy—seems illogical and—we of the Negative feel that the United States must continue to *Maintain* its present policy." And here in the last paragraph is finally given the clue to his misdirected attack. The question reads: Resolved, that the United States should take steps to *Maintain* the Open Door in China. It does not read that we should take steps to *adopt* a policy. He blindly asserts an agreement of the Affirmative with the Negative case of American capitalism written against *adopting* a policy that was *adopted* about forty years ago.

In summarization of the Affirmative case, we find a

continually followed basic train of thought. We have shown that the maintenance of the "Open Door" is internationally and nationally expedient, practical, and desirable. We have been willing to admit the true status of opinion against Japan. And we have steadfastly shown that a policy of maintaining the long past adopted one of the "Open Door" would be desirable not only from the American standpoint, but from the standpoint of world peace for all mankind.

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APPENDIX

APPENDIX

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